

Fiscal 2003

BUDGET



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OVERVIEW

The State's budget plan for fiscal year 2003 reflects Governor James E. McGreevey's commitment to restoring fiscal responsibility, meeting the challenge of closing the largest budget deficit in New Jersey's history, and addressing core priorities of his administration in the areas of education and early childhood literacy, cancer research, and homeland security.

In a year when the State is facing difficult choices and the worst fiscal crisis in its history—a shortfall of \$5.3 billion—Governor McGreevey has put forth a balanced budget and a blueprint for the future that protects New Jersey's hardworking families and puts State government on the right track.

The Governor's Budget proposes setting clear priorities and protecting what matters most to New Jersey's future—our children and our schools, the health of our people, and the safety and security of our families and communities. His Budget also proposes:

- Restoring fiscal responsibility and tackling waste and mismanagement.
- Closing the budget deficit.
- Holding the line on sales and income taxes.
- Protecting property tax relief programs, such as NJ Saver and the Homestead Rebate.

In less than three months since taking office, Governor McGreevey has proposed fiscal solutions to close a total of \$8.3 billion in budget deficits, which includes the nearly \$3 billion deficit in the Fiscal Year 2002 Budget that he confronted upon taking office, as well as the \$5.3 billion structural deficit in the Fiscal Year 2003 Budget. The budget for fiscal year 2003 is prudently crafted to move New Jersey forward, to preserve programs and

services to the citizens of the State, and to protect property tax relief.

The proposed Fiscal Year 2003 Budget totals \$23.663 billion, which is \$343 million (1.5 %) above the adjusted fiscal year 2002 appropriation level of \$23.320 billion.

The 1.5% growth in the proposed Budget is significantly less than the 6.5 % growth in the proposed Fiscal Year 2002 Budget and is 75% less than the average annual growth rate over the past 20 years (5.9 %).

Fiscal Responsibility

Fiscal Year 2002—Solving the Current Year Deficit

Upon assuming office in January 2002, Governor McGreevey faced a current year operating deficit of nearly \$3 billion, or approximately 13% of the original fiscal year 2002 State appropriation. Several factors contributed to the severe deficit problem:

- Overly-optimistic revenue projections in the State budget adopted in June 2001.
- A downturn in the economy, exacerbated by the events of September 11.
- Ongoing, supplemental spending during the first half of fiscal year 2002.

Mindful that one-half of the fiscal year had already elapsed by the time his term began, the Governor took decisive action to offset the deficit of nearly \$3 billion. After a line-by-line budget review of every State department, the McGreevey Administration identified a total of \$1.7 billion in funds that could be used to help close the budget deficit. The Governor's fiscal year 2002 solutions included:

- 5% reductions in the budgets of State departments, as well as the elimination of idle balances, cancellation of aged obligations from prior years, and a freeze

on hiring, travel, and equipment purchases.

- \$430 million in revenue initiatives, including \$150 million from a new tax amnesty program, \$105 million from the extension of the Transitional Energy Facilities Assessment (TEFA), and the remainder from other fund balances.
- Reducing supplemental appropriations by almost \$70 million.
- Shifting \$720 million in balances from the Rainy Day Fund to the General Fund. As structured, the shift provided \$500 million of that balance for budgeting flexibility in fiscal year 2003.
- A total of \$325 million will be redirected from the Unemployment Insurance Trust Fund in fiscal year 2002, an amount that is approximately 10% of the Fund's \$3.5 billion undesignated balance as of June 2001.

Fiscal Year 2003—Balancing the Budget

The projected current deficit of approximately \$5.3 billion for the Fiscal Year 2003 Budget is the product of declining revenues and structural growth in key programs. This deficit represents a staggering 22% of the total projected Fiscal Year 2003 Budget of \$23.663 billion. The current \$5.3 billion projection has been adjusted down from the February estimate of \$6 billion due to an increase in projected base revenue and a reduction in the size of the projected fiscal year 2003 closing surplus.

To restore fiscal stability, the Governor proposes a combination of \$2.9 billion in additional revenues and \$2.4 billion in spending constraints and reductions that are in keeping with the Governor's commitment to ensure that New Jersey lives and operates within its means.

The \$2.9 billion revenue enhancements include over \$1 billion from restructuring the Corporation Business Tax and closing tax loopholes, increasing certain taxes, repealing tax breaks, and statutory amendments to hold the State harmless from recent federal changes to the corporate tax code and the estate tax. If New Jersey does not address the recent federal change that accelerated depreciation for

businesses, the State will lose at least \$100 million in tax revenues next year, and even more during each of the following two years.

If New Jersey does not address recent federal changes to the estate tax law, and allows the estate tax to expire, the State will lose \$72 million in estate tax revenues in fiscal year 2003 and nearly \$700 million over the next five years. If the estate tax is permitted to expire, the primary beneficiaries would be the families of the wealthiest 2 % of New Jerseyans. At least two states have already decoupled from the federal changes, while others are considering it. This proposal would have no impact on the overwhelming majority of State residents.

Other components of this \$1 billion solution package are:

- \$627 million from a restructuring of the Corporation Business Tax to account for the changing pattern of corporate tax filings.
- \$200 million from a 50-cent increase in the cigarette tax, from the current tax of 80 cents to \$1.30 per pack.

The remaining revenue initiatives are the securitization of \$1.1 billion from tobacco settlement monies, transferring \$373 million in idle trust fund balances to the General Fund, and \$75 million in increases in user fees in cases where the State costs exceed current charges. (See Revenue Forecast and Initiatives).

On the spending side, anticipated budget growth has been sharply curtailed, and in some cases eliminated, across State government. Specifically, a total of approximately \$2.4 billion of the approximately \$2.9 billion in budget growth originally projected for fiscal year 2003 has been suspended or offset. The Budget provides level funding of municipal and school formula aid, so school districts and local communities will receive at least as much aid as they received in fiscal year 2002. The Budget also preserves critical services and protects property tax relief. In addition, the budget provides for:

- Level funding for New Jersey Transit at \$260 million, which will protect service to rail and bus commuters.

- The redirection of an additional \$325 million in surplus revenues from the Unemployment Insurance Fund to offset State appropriations for health care costs. Approximately 75% of this amount will be restored to the UI Fund, however, through a planned distribution of \$242 million of federal Reed Act monies authorized in the Economic Stimulus legislation signed by the President on March 9, 2002.
- The Budget assumes that the State will receive \$478 million of federal funds in two key areas:
 - an extended phase-out of the Intergovernmental Transfer funds (IGT), resulting in an offset of \$330 million in federal funding for State costs related to nursing home care. Similar IGT funding has been received by Wisconsin, New York, Virginia, and Florida.
 - a federal waiver for PAAD program costs, providing an additional \$148 million in federal funds for New Jersey for fiscal year 2003.

Fiscal Year 2003 Budget Compared to Fiscal Year 2002 Budget

When viewed by category of funding, \$17 billion, or 72%, of the Fiscal Year 2003 Budget is provided either as State Aid (\$9.4 billion, or 40 %) or Grants-in-Aid (\$7.6 billion, 32 %). The Direct State Services (DSS) portion of the Budget totals \$5.1 billion and comprises 22 % of the Budget. Importantly, Direct State Services funding increases by \$217 million, or 4.4%, in fiscal year 2003, while State Aid increases by \$212 million, or 2.3%, and Grants-in-Aid declines by \$59 million, or .8%.

Executive department operating budgets have increased by .5%. The remainder of the Direct State Services increase is the result of higher fringe benefits costs and negotiated salary increases. (See Summary of Major Increases and Decreases for a full listing of the recommendations in the Fiscal Year 2003 Budget.)

Management Efficiencies

The Budget anticipates significant savings through a variety of management efficiencies that will eliminate wasteful spending and require State government to maximize its resources.

The Budget also provides for \$87.6 million in program eliminations and \$31.4 million in attrition savings.

The Governor's Budget provides \$250,000 for the operations of the BEST (Budget Efficiency Savings Team) Commission, which was created by Executive Order. The Commission, which includes some of New Jersey's top business leaders, is identifying ways for the State to cut waste and operate more efficiently. This appropriation will cover the cost of support services that the Commission requires to carry out its tasks.

The Budget also provides for a New Car Inspection Waiver program in fiscal year 2003, pending EPA and legislative approval, exempting the owners of new cars from their first scheduled biennial inspection. Instead, new cars would first be inspected at year four of ownership. This initiative would prospectively eliminate approximately 20% (600,000) of the State's biennial inspections and end the practice of paying millions to inspect cars which, by their very nature, pose little chance of failing. The estimated savings total approximately \$6.8 million in fiscal year 2003 (and \$13.6 million annually thereafter) assuming a planned implementation date of January 1, 2003.

The budget maintains the commitment to retain baseline 5%, across-the-board efficiencies enacted as part of the fiscal year 2002 deficit reduction, while enacting further efficiencies to help offset structural budget growth pressures. These efficiencies include:

- \$76 million in savings through an Employee Salary Savings Initiative. The initiative eliminates cabinet and managerial salary increases, and establishes an aggressive attrition program with the implementation of an early retirement program.

- \$48 million in savings achieved by limiting eligibility for the NJ SAVER program to those applicants with incomes of less than \$200,000; the savings will be placed in a separate fund and dedicated to paying down outstanding State debt.
- Reduction in the State workforce: The total workforce on January 25, 2002 was 74,964. Of this, 52,984 supported by State funds. The Fiscal Year 2003 Budget projects this number to decrease by slightly over 1,000 to 51,962.
- Department reductions implemented by cabinet members. For example, a planned reorganization and redesigning of the Department of Education to better balance oversight and support for teaching and learning has achieved a reduction in the Department's workforce and will further improve efficiency while reducing bureaucracy.

NEW INITIATIVES OF THE MCGREEVEY ADMINISTRATION

Governor McGreevey has chosen new investments for the Fiscal Year 2003 Budget with extreme care, targeting increases in a few select areas that reflect his top priorities. These priorities include:

- \$10 million for early childhood literacy programs.
- \$162.4 million for preschool programs in the Abbott school districts, as required by the New Jersey Supreme Court.
- \$57.5 million in new spending for homeland security.
- \$37 million for cancer research.
- \$10 million to re-establish the Department of the Public Advocate.

Literacy

The Fiscal Year 2003 Budget includes the cornerstone of Governor McGreevey's education plan—a literacy program that will include providing reading coaches in under-performing elementary schools to ensure that all students

are reading at or above grade level by the end of the third grade.

A new State appropriation of \$10 million represents the first installment of a four-year, \$40 million commitment. State resources will be supplemented by \$18.4 million in aid for a new federal program, "Reading First," which has the same goal.

The Budget also ensures the implementation of the Library Construction Program by providing \$1.4 million for debt service to finance the State's share of capital costs for new construction and expansion of approved libraries throughout the State.

Early Childhood—The Preschool Advantage

Governor McGreevey recognizes that building a solid educational foundation begins at the pre-school level, particularly for at-risk students in New Jersey's special needs districts. The State's approach to early childhood education is comprehensive, involving both the Departments of Education and Human Services. It integrates educational, social, and family programs so that children can develop the academic and social skills needed for kindergarten, higher grades and life after school.

The Fiscal Year 2003 Budget provides a total increase of \$162.4 million for preschool programs in the Department of Education (\$142.4 million) and the Department of Human Services (\$20 million). The \$142.4 million in Abbott Preschool Expansion Aid will fund the increase in costs between fiscal years 2002 to 2003 for the approved preschool programs for three- and four-year-olds in Abbott districts.

Abbott district enrollment for preschoolers is projected to grow to over 39,000 in fiscal year 2003, an increase of nearly 50% from enrollment levels in the fall of 2001. The Budget also recommends \$126 million in the Department of Human Services for programs held before and after school and during the summer for these eligible preschool children, an increase of \$20 million from fiscal year 2002.

Other Highlighted Education Initiatives

- \$10.3 million in increased funding for School Choice and Charter School Aid to shield local taxpayers from added expenses related to growing enrollment in these schools.
- \$4.8 million continued appropriation for Character Education programs.
- \$4.5 million increase for Teacher Mentoring Aid.
- \$99.6 million in funding from a State appropriation and other sources to support the State's \$8.6 billion school construction program, which provides funding to all districts throughout the State for eligible costs.
- \$1 million for Teacher Recruitment in special needs districts. The appropriation funds the second year of a four-year program.

No Child Left Behind

Federal funds provide an important supplement to State appropriations for education. The Fiscal Year 2003 Budget includes a \$131.4 million increase (19.4%) in federal grants from the prior year, largely due to the enactment of the "No Child Left Behind Act".

Programs with significant increases include Title I Grants to Local Educational Agencies (\$41.9 million, or 19.5%) and Special Education (\$37.2 million, or 16%). The Class Size Reduction program and Eisenhower Professional Development State Grants program were combined into the Improving Teacher Quality program, generating \$17.6 million (37%) in new funding to New Jersey.

New Jersey also will receive \$8.9 million for the development and implementation of the new testing requirements that will be used as a measure of accountability for the increased federal support.

Higher Education

The proposed Fiscal Year 2003 Budget provides nearly \$1.8 billion in aid to the Higher Education community. Of that amount, \$1.2 billion represents operating support for Rutgers,

UMDNJ, NJIT, and the eight State colleges and universities. The Budget will fund the State's full obligation for the cost of fringe benefits for the colleges and universities, including the \$26.5 million increase for fiscal year 2003. Funding includes:

- \$155.8 million operating aid for the county colleges, the same level of funding as the current year.
- \$24.5 million in operating aid to the State's private colleges and universities, the same level of appropriation provided in the current year.
- \$170 million for the Tuition Aid Grant (TAG) program, an increase of \$2.4 million. All other tuition assistance programs such as EOF and Outstanding Scholars, have been funded at the current year levels.
- \$5.3 million in grants to colleges and universities to expand and improve Teacher Preparation programs, including \$2.3 million for staff hired in fiscal year 2002 for these purposes.
- \$2.2 million for the Incentive Endowment Fund.

Homeland Security

The Governor's Budget provides \$66 million in funding for security initiatives designed to protect the safety of New Jersey families and communities.

Office of Counter-Terrorism

On January 24, 2002, Governor McGreevey created the Office of Counter-Terrorism (OCT) to provide a uniform, cohesive, and coordinated response to the threats posed to our State by the tragic events of September 11. The Office has begun to meet the enormous challenge of coordinating the State's response and intelligence capabilities with federal, State, county and local law enforcement agencies, as well as the National Guard.

The Office will coordinate training and information gathering at all levels of law enforcement. This coordination is essential to maximizing available resources and facilitating

the exchange of information among law enforcement agencies.

The Office of Counter-Terrorism will continue its partnership with the Domestic Security Preparedness Task Force to ensure that non-law enforcement government agencies, as well as private industry, develop and implement the practices to ensure the safety of the State's infrastructure.

The OCT will serve as a focal point for all State agencies. It will develop, implement, and monitor Statewide counter-terrorism grant programs, and conduct programs and financial audits to ensure compliance with federal and State program requirements in order to effectively leverage all available resources to meet the vital public safety goals and objectives.

The Budget provides \$6.9 million to expand the OCT. When combined with the \$2.7 million supplemental appropriation initially provided in fiscal year 2002, New Jersey will provide \$9.6 million to support a staff of 90 investigators, attorneys, and intelligence experts.

The Department expects to secure federal counter-terrorism grants from the Department of Justice totaling approximately \$5 million to complement this effort.

Public Health Preparedness

Following the advice of the Medical Emergency and Disaster Prevention and Response Expert Panel ("MEDPREP"), the Fiscal Year 2003 Budget provides \$25 million to the Department of Health and Senior Services to advance a series of recommendations issued by MEDPREP to further prepare our public health and health care systems to prevent and respond to acts of terrorism and other emergencies that may result in mass casualties and/or mass exposures. This funding will complement State and federal funding to meet the following primary objectives:

- Establish an incident command structure to respond more effectively to emergencies and disasters.
- Improve real time communications between and among hospitals, emergency medical services, other first

responders and the State on disease surveillance and response using various technologies.

- Provide necessary training to the health care workforce on the clinical diagnosis and management of those exposed, infected, injured, and/or contaminated; develop plans and procedures for population control and mass treatment including vaccinations.
- Purchase and distribute antibiotics, antidotes, and personal protective and decontamination equipment.
- Support necessary drills and training exercises; enhance public education and notification; standardize training and equipment for, and coordination of, hazardous materials response units.
- Expand laboratory testing capability for chemical, biological and radioactive agents and establish formal relationships with other laboratories within the State.
- Provide surge capacity testing and back-up services; and inventory Statewide mental health programs.

Under a pending federal bio-terrorism grant totaling just over \$27 million, New Jersey has earmarked \$23.7 million to establish an Office of Public Health Preparedness in the Department of Health and Senior Services and upgrade the Department of Environmental Protection's existing Environmental Hotline Unit for reliable 24/7 emergency notification and dispatch services.

The federal funds would also establish a Health Operations Center to support on-site tactical operations in response to terrorist acts, build testing capacity for rapid identification, and deploy a web-based electronic disease reporting system involving local health departments, clinical labs, and private physicians.

The remaining \$3.5 million would support a new Hospital Bio-terrorism Preparedness program to coordinate hospital efforts to manage potential epidemics on a regional level, and to prepare a plan for emergency communications.

Other Security Investments

The Budget includes a number of other initiatives to enhance the security of New Jersey communities and businesses. The Governor proposed that the State dedicate \$100 million over the next four years to create a state-of-the-art training facility for State and local law enforcement, as well as a new State Police headquarters and emergency management center to replace outdated facilities:

- \$5 million has been budgeted for the design and engineering of a new State Police Professional Training Center as well as a new headquarters building. When completed, the Training Center will serve as a central state-of-the-art site for training State troopers and police from throughout New Jersey.
- \$5.4 million in fiscal year 2003 will finance payments for laboratory and communications equipment purchased for the State Police's new \$83 million Forensic Laboratory and Troop C Headquarters in Hamilton. This facility, supported by New Jersey Building Authority financing, is expected to open in the spring of 2003.
- Another Building Authority project is the \$24 million, state-of-the-art Emergency Management Center at the State Police Headquarters in Ewing Township. A debt service appropriation of \$1.9 million is included in the budget for this initiative.
- \$30 million is anticipated and earmarked within the Federal Fiscal Year 2002 Budget to modernize the State Police radio system.

The McGreevey Administration recommends a \$6.5 million appropriation to the Department of Transportation to develop a new Digitized Drivers License system. The September 11 attacks underscored security concerns over falsification of identifying documents. Supported by a surcharge on licenses, the program will furnish a digitized color picture and signature on new and renewed licenses.

The State will address September 11-related disruptions to New Jersey's transportation and

commuting patterns by applying for \$190 million in federal funds designated within the Federal Fiscal Year 2002 Budget. These funds will expand ferry service between New Jersey and Manhattan and accelerate improvements to PATH and NJ Transit systems linking New Jersey to New York City.

In recognition that disaster recovery efforts must include the State's core data systems, the budget proposes \$5.7 million for the Office of Information Technology (OIT). A distributed recovery capability for data processing services is a key element of security preparedness. The OIT Availability and Recovery Site (OARS) will extend the Garden State Network to a new, in-state site equipped with automatic, 24-hour backup capability.

The Budget also includes \$4.5 million to fund the construction of the computer data bases and networks needed to implement the Insurance Verification system, a key auto insurance reform that the Governor committed to during his campaign. The system will provide up-to-date information for law enforcement during traffic stops concerning whether a driver's insurance policy has lapsed for lack of payment.

Cancer Research

Following through on a campaign promise, the Governor proposes an increase of \$37 million for cancer research and treatment.

Most prominently, an appropriation of \$28 million is earmarked to the Cancer Institute of New Jersey (CINJ) through the Department of Health. Established in 1990, the Cancer Institute is the only center in New Jersey designated by the National Cancer Institute and is one of only 13 NCI-designated cancer centers in the nation. Together with \$15 million previously appropriated to the University of Medicine and Dentistry of New Jersey from fiscal year 2001 through fiscal year 2003, a total of \$43 million will be invested in the Cancer Institute initiative.

In addition, the budget proposes \$8 million to expand cancer initiatives within the Department of Health and Senior Services (\$7 million) and for the Garden State Cancer Center (\$1 million). New State funds are also provided for an

International Conference on New Initiatives in Cancer and Chronic Illness that will highlight new developments in cancer research and treatment (\$500,000) and to support a public health "SWAT" team to investigate cancer clusters, providing rapid response and analysis (\$500,000).

Department of the Public Advocate

Governor McGreevey's Fiscal Year 2003 Budget provides \$10 million for the re-establishment of the Department of the Public Advocate, which was abolished in 1994. Key functions of the Public Advocate will include:

- Enhanced consumer protection and advocacy on behalf of the indigent, elderly, children, and others who are not able to protect themselves as individuals or as a class.
- Consolidation of ombudspersons, guardians, and the ratepayer advocate, making greater use of alternative dispute resolution to resolve complaints or grievances.

Pending passage of enabling legislation, the appropriation recommended for the Department of the Public Advocate is listed as a line item within the Department of Treasury budget.

Taxpayer Relief

Despite the unprecedented structural budget problems facing New Jersey, Governor McGreevey has not only protected the current property tax relief programs but has provided an increase of almost \$370 million (3.2%) over fiscal year 2002. The Fiscal Year 2003 Budget provides nearly \$12 billion in direct or indirect property tax relief to New Jersey communities and citizens, representing approximately half of the entire State Budget.

These funds are essential to local schools and governments, not only to subsidize operating costs, but because they represent property tax relief. State Aid consists of school aid, municipal aid, other local aid, and local property tax relief. In addition to State Aid and Direct Taxpayer Relief, local governments will benefit

from Pension Security Program (PSP) and the Police and Firemen's Retirement System (PFRS) savings of approximately \$312 million in Fiscal Year 2003. (See Fiscal Year 2003 Taxpayer Relief for a detailed listing of these amounts.)

School Aid

State Aid for local school districts is the single largest purpose to which State funds are devoted. In recognition of the high priority given to education by this Administration, the Fiscal Year 2003 Budget includes \$6.6 billion in direct aid to local school districts.

The fiscal year 2003 spending plan also provides \$44.6 million for school construction and renovation costs associated with the Educational Facilities Construction and Financing Act and will be supplemented by \$55 million from other sources. This includes State debt service and increased aid for recently issued local debt for school construction.

The Budget provides \$977.6 million in payments on behalf of local districts for teachers' retirement benefits and the employer's share of social security payments. This represents an increase of \$71.9 million above fiscal year 2002 and shields property taxpayers from shouldering these costs.

The Fiscal Year 2003 Budget recommendation for most categories of Direct Aid is at the same level as in fiscal 2002. Court-mandated funding under the Abbott v. Burke parity remedy will grow to \$512.7 million.

Municipal Aid

The budget fulfills Governor McGreevey's promise to suburban and urban communities that their State funding will be held harmless despite a serious downturn in state revenues. Meeting this commitment, and providing an increase in funding for various tax relief programs, will enable municipalities to hold the line on property taxes. The Budget provides a \$13.8 million increase in the Special Municipal Aid category, increasing total program aid to \$52.5 million, to give the Commissioner of the Department of Community Affairs the resources

to assist municipalities hard-pressed by unique fiscal problems.

The two major municipal aid categories, Consolidated Municipal Property Tax Relief and Energy Receipts Property Tax Relief, are funded at a combined total of \$1.6 billion. This will maintain reliability and stability for municipalities as they prepare their budgets and make long-term fiscal plans. The Budget also provides for:

- Increasing Extraordinary Aid by \$5 million.
- Maintaining full funding for the \$35 million Legislative Initiative Block Grant Program.
- Increasing to \$8 million State payments in lieu of taxes for open space.

Other Local Aid

In fiscal year 2003, the budget provides \$612.6 million in local aid through various categorical aid programs, an increase of \$33.3 million, or 5.7%. As noted on the Fiscal Year 2003 Taxpayer Relief chart, several of the programs received continuation funding in fiscal year 2003. Areas of change are highlighted below:

- County Colleges: County College Aid decreases slightly by \$2.1 million to a total of \$201.6 million in fiscal year 2003 due to lower debt service requirements.
- Aid to County Psychiatric Hospitals: The budget recommends \$94.5 million, or an increase of \$2.8 million, to provide continued support to county-operated psychiatric hospitals.
- Urban Enterprise Zones (UEZ): Two critical elements of the UEZ program involve the State's Sales and Use Tax. Under the program, the Sales Tax within the zones is reduced from the normal 6% to 3% and those receipts are dedicated to the UEZ municipalities to fund projects within the zones. In fiscal year 2003, Sales Tax revenues totaling \$79.0 million will be retained by municipalities involved in the UEZ program, an increase of \$21.6 million above fiscal year 2002 estimates.

- Library Aid: State Aid to support New Jersey's vast public library system totals \$16.9 million in fiscal year 2003, an increase of \$1.5 million above the fiscal year 2002 amount. The increase includes funds allocated for debt service for new library construction projects. Of the remaining amount, approximately \$8.7 million is provided to support the basic operations of each county and municipal library and \$6.7 million is for inter-library networking and special developmental projects.
- Pension Contributions for Localities: Contributions for pensions and related health benefits for the Police and Firemen's Retirement System (PFRS) and the Consolidated Police and Firemen's Pension Fund are also included in this category. The cost of these benefits in fiscal year 2003 is estimated to be \$31.4 million, an increase of \$9.5 million from fiscal year 2002.

Direct Property Tax Relief

The Budget includes \$1.6 billion in direct relief to property taxpayers in the form of rebates and State-funded tax deductions, approximately the same amount as that provided in fiscal year 2002.

The Budget preserves these programs as essential components of relief for property taxpayers. It provides for a \$25 increase in the maximum Homestead Rebate, up to \$775, for senior citizens and the disabled. The Budget provides a \$50 increase in the property tax deduction for veterans, an increase of 31.5%. Qualified senior and disabled residents will continue to receive a \$250 property tax exemption. The total cost of the State's reimbursement to municipalities for veterans, seniors, and disabled residents is \$95.7 million. The Budget also assumes nearly \$328 million in revenues lost in property taxes deducted from State income tax returns. This is an increase of \$11 million or 3.5%.

The Budget funds the NJ SAVER rebate program as a major offset to rising property

taxes. The budget proposes limiting NJ SAVER rebates to those households earning less than \$200,000 so that the State can serve families in greatest need of property tax relief. NJ SAVER checks will remain at last year's levels, an average of \$500 in direct relief. The NJ SAVER program is expected to provide property tax relief to 1.4 million households at a cost of \$679.1 million.

The fiscal year 2003 Homestead Rebate program is funded at \$514.3 million, an increase of \$13.7 above the current year. This growth is driven by a statutory change that increases the maximum rebate for senior/disabled homeowners and tenants from \$750 to \$775. The program will provide aid to \$1.6 million homeowners and tenants with incomes of \$100,000 or less in fiscal year 2003.

The Property Tax Freeze sets aside a record \$18 million, a 70% increase, to freeze the taxes of qualified seniors. The income eligibility thresholds under the Property Tax Freeze program have been increased substantially, from \$18,587 to \$38,475 if single, or \$22,791 to \$47,177 if married, which is expected to double the number of senior citizens eligible to take advantage of the program.

Health and Welfare

The Budget provides funding to continue staffing increases in the Department of Human Services, which began in fiscal year 2002, to address federal institutional certification requirements and to increase DYFS staffing to ease workload concerns. The total staff increase between the beginning of fiscal year 2002 and fiscal year 2003 is approximately 1,200. The additional staff will not only improve the delivery of services to patients but will ensure that New Jersey retains its accreditation and averts the risk of losing federal funding.

The budget provides New Jersey physicians with an increase in Medicaid reimbursement rates, beginning July 1, 2002. By raising the reimbursement rate by \$8.75 million, the State will trigger equal matching funds from the federal government, extending a total benefit of

\$17.5 million to eligible doctors. The increase addresses concerns that many physicians are leaving the Medicaid program due to poor and inconsistent reimbursement practices.

The Budget also calls for no changes in benefits, co-payments or eligibility for the Pharmaceutical Aid for the Aged and Disabled (PAAD) program, retaining prescription help for seniors and disabled at a time of rising costs and fiscal distress. The Budget anticipates the State will achieve \$148 million in program savings by acquiring federal funds through a federal waiver.

The Governor's Budget proposes an increase of \$4 million to transition an additional 1,500 elderly citizens from nursing homes to assisted living arrangements over the next four years. Of the 1,500 new placements, an estimated 375 slots would be made available in the first year, fiscal year 2003.

The fiscal year 2003 spending plan continues level funding of \$18.7 million for the Children's System of Care Initiative (CSOCI), which leverages state and federal resources to deliver an array of individualized, direct mental health services to children and families with acute needs. The level funding triggers a draw-down of \$200 million in federal funds and would expand the program to facilitate the establishment of the Wynona M. Lipman Education and Treatment Center.

The Budget provides for a 2% cost-of-living increase for community care providers effective July 1, 2002. The COLA will assist the State's goal of recruiting workers for positions in community-based housing programs, thus addressing a sizable waiting list of community slots for the developmentally disabled.

The Budget proposes to spend \$17 million to fully fund the redirection program at Greystone Psychiatric Hospital. The program is designed to support the construction of a modern hospital to replace Greystone, moving psychiatric patients to new facilities or community placements, and providing necessary mental health services for patients who are moving to community facilities or who are ready to be discharged from State residential care. This spending is designed to

move patients out of institutional settings and into more appropriate treatment settings.

The new Budget includes \$3.3 million for the development of a Statewide Automated Child Welfare Information System (SACWIS). The SACWIS will provide the Division of Youth and Family Services with a single data base system to better track children and families in the system.

The Budget provides a modest housing subsidy from federal block grant monies to help offset the financial impact when families receiving public assistance reach the five-year time limit.

The Budget also provides:

- \$776,000 for continued funding for childhood lead poisoning prevention and control.
- A shift in costs to require HMOs to pay \$2.5 million for the State's appeals and monitoring program to protect managed care consumers. This will provide stable funding for this program to protect the health care rights of employees and consumers.
- Maintaining the \$800,000 in increased funding to track and control West Nile Virus provided between fiscal year 2000 and fiscal year 2002.

The Budget provides \$30 million for the Comprehensive Tobacco Control Program, which is intended to reduce the use of tobacco and exposure to environmental tobacco smoke. The program combats the ill-effects of tobacco products through community-based tobacco control partnerships, a youth anti-tobacco awareness media campaign, smoking cessation, school-based prevention programs, and research, surveillance, evaluation, and assistance for anti-smoking programs.

The Division of Addiction Services, within the Department of Health and Senior Services, administers the federally funded \$3.2 million World Trade Center: New Jersey Recovers Project. The project offers counseling and other assistance to people who have developed alcohol and/or substance abuse problems as a result of the WTC attacks. These free and

confidential services are available to families of the WTC attack victims, survivors of the WTC attacks, witnesses of the attacks and/or collapse of the WTC, all rescue workers, and people who lost their jobs as a result of the attacks.

Smart Growth and the Environment

Efficient Government

The Department of Environmental Protection (DEP) will be upgrading and enhancing the efficiency of the New Jersey Environmental Management System (NJEMS), its permit review process, through \$3.8 million in revenue derived from increased operator/permitting fees. These fees have been frozen for several years, which placed the burden of increased costs for permit administration on the shoulders of State taxpayers.

The DEP has been integrating its internal databases through NJEMS. The overall goal of NJEMS is to provide the DEP with an information system that enables the most informed environmental decision-making possible, at all levels of government, as well as to provide the public with better access to environmental information affecting their communities. DEP program staff are now using NJEMS to develop and issue permits, evaluate compliance, issue enforcement documents, and track fees and fines. NJEMS will eventually enable the DEP to assess facilities from a multimedia perspective, advance pollution prevention goals, monitor environmental indicators, and streamline regulatory compliance. This investment will enable the DEP to improve its delivery of services, and will make the information in NJEMS more easily available to county and local governments as well.

Watershed Management

Through the Watershed Management Planning Program, the DEP partners with local stakeholders to address water resource issues in each watershed. Watershed management planning offers the opportunity to integrate water supply issues with the need to maintain or restore water quality and protect aquatic ecosystems. Watershed planning can also work

hand-in-hand with smart growth, by identifying ways to address water quality issues that are expected to arise as an area changes and undergoes additional development.

In fiscal year 2003, the Watershed Management Planning Program will receive \$10.6 million of the total DEP funding allocated from the State's Corporation Business Tax (CBT). In addition, the budget proposes a General Fund appropriation of \$945,000.

Protecting the Jersey Shore

The Jersey Shore, the State's most valuable tourist attraction, is integral to the State's economy. To protect the beaches, the Fiscal Year 2003 Budget maintains \$25 million for shore protection from the Realty Transfer Fee. These funds will leverage up to \$34 million in federal funds and \$4 million in local funds for beach replenishment projects. The projects planned for fiscal year 2003 include beach fills at Townsend Inlet, Cape May Inlet, Manasquan Inlet, Barnegat Inlet, Cape May City, and Lower Township.

Operating/Permitting Fees

Many of the DEP's fees have been frozen for several years. Fees for New Jersey Pollutant Discharge Elimination System (NJPDDES) permits have not increased since 1993, fees for Treatment Works Approvals (TWAs) have not increased since 1989, and several other fees are currently capped at 1995 levels. Fee revenues now fall far short of the cost of operating the programs that charge fees. As a result, the permit applicants and others who generate the work for these programs pay less and less of the cost. The burden instead falls on the State's taxpayers to make up the difference.

To reduce this inequity, the Fiscal Year 2003 Budget recommends a combined increase of nearly \$18 million in fees for the following services: New Jersey Pollutant Discharge Elimination System (NJPDDES) permits, stormwater permits, treatment works approvals, air Operating Permits, solid and hazardous waste, land use regulation, and the Environmental Infrastructure Financing Program. The proposed increase represents the first phase of a two-year plan to increase each fee to a level that fully supports its related program.



REVENUE FORECAST AND INITIATIVES

FISCAL YEAR 2002 ANTICIPATED REVENUE

The current estimate of \$20.9 billion in total 2002 revenue is \$2.0 billion less than when the Acting Governor certified revenues in June 2001.

The three largest taxes, Gross Income, Sales and Use, and Corporation Business account for approximately 69% of total state revenues and are now forecast to yield \$14.4 billion. This is a decrease of \$2.2 billion over certified revenues, and primarily reflects downward revisions in Gross Income (- \$1.3 billion), Corporation Business (- \$711 million), and Sales and Use (-\$186 million). The downward swings in revenues are due to the recessionary conditions in the economy. Miscellaneous taxes, fees, and revenues are now expected to generate an additional \$118.2 million, primarily from the Transitional Energy Facilities Assessments (TEFA).

The Sales and Use Tax is estimated to generate \$6.0 billion in fiscal year 2002, a moderate 3.3% growth compared to the 6.2% rate originally projected. The estimate was lowered as the economy was dragged into a recession, which started during the second half of 2000, and was compounded by the events of September 11. The slumping financial markets, deteriorating corporate profits and layoffs adversely affected both business investments and consumer purchases of durable goods. Consumer confidence declined significantly in 2001, dropping more than 48 points between July 2000 and December 2001.

The Gross Income Tax forecast for fiscal year 2002 is revised down to \$7.3 billion, a decrease of \$1.3 billion compared to the June 2001 certified revenue estimate. This represents an 8.7% decline rather than the 7.2% growth anticipated in June 2001. Such a strong decline is not surprising given that 2000 was the last

year of the financial bubble, yielding extraordinarily high revenue. Employer withholdings fell by 3% in calendar year 2001, against the double-digit growth of 17% in 2000, underscoring the decline in the 2001 tax base. This was exacerbated further by weaker than anticipated estimated payments, which fell by 21% in 2001 after growing at 29% the year before.

The Corporation Business Tax (CBT) is revised down by \$711 million to \$1.1 billion for fiscal year 2002. This represents a decline of 14.7% compared to the 10.3% decline in fiscal year 2001. In June the CBT revenues were anticipated to grow nearly 40%, due largely to the \$420 million in additional revenues generated by legislation directed towards limited liability companies (LLCs). This downward shift in the CBT estimate is in line with sinking corporate profits and the generally weak economy in 2001. The revised estimate also reflects a downward revision in the anticipated LLC net revenue yield.

FISCAL YEAR 2003 REVENUE PROJECTIONS

Total revenues for fiscal year 2003 are expected to be \$23.7 billion, approximately \$2.9 billion above the revised fiscal year 2002 anticipated total. Any growth in revenues in fiscal year 2003 is expected to be modest at best as the national economy pulls out of the current recession and adjusts to more sustainable long-run growth levels.

Sales Tax

The forecasted \$6.2 billion for fiscal year 2003 Sales Tax revenues is an increase of \$276 million, or 4.6% compared to revised fiscal year 2002 revenues. This reflects an expectation of continued improvement in the underlying economic fundamentals during fiscal year 2003. The favorable low-interest environment is expected to reinforce growing consumer confidence and spending by mid-2002.

Corporation Business Tax

The fiscal year 2003 CBT revenue forecast of \$1.8 billion represents an increase of \$711 million (or 64%), compared with revised fiscal year 2002. This upward revision assumes an underlying negative growth of 10.3% in gross payments and refund growth of 12.6% in fiscal year 2003. It also adjusts for the one-time nature of part of the initial LLC revenue gain and discounts the likelihood of substantial LLC prepayments for 2003. There is an additional \$25 million loss due to legislative changes relating to effluent and energy equipment, and Neighborhood Revitalization. It also includes adjustments for the restructuring of the tax.

Gross Income Tax

The fiscal year 2003 forecast of \$7.8 billion is an increase of \$486 million, or 6.7%, over revised fiscal year 2002. Although this appears impressive compared to the steep expected decline in fiscal year 2002, it remains well below the double-digit growth rates in the previous three fiscal years. This is a reflection of the economic slowdown and turmoil after the financial markets peaked in 2000. New Jersey Total Income, which is the tax base, is expected to drop by over 3% in fiscal year 2001 after peaking at a record 11.8% growth rate in the previous year. In 2002 and 2003, the tax base is projected to grow at 4.3% and 4.9%, respectively, approaching the 1991-99 average growth of 5.4% by 2004. The amount of income on tax returns reporting over \$100,000 in total income, which grew at the 18% average annual rate (1995-2000), fueled the GIT revenue growth since 1995. It is expected to decline by 7% in 2001 after spiking at 20%+ in 2000, and rebound to the 7%-8% range in 2002 and 2003 as the economy recovers.

FISCAL YEAR 2003 REVENUE INITIATIVES

The proposed Fiscal Year 2003 Budget anticipates \$20.8 billion in existing revenue, representing an increase of approximately \$400 million, or 2%, from the fiscal year 2002 existing base revenue. The existing revenue base is supplemented by approximately \$2.9 billion in new revenue. These new revenues can be categorized as follows: revenue enhancements and special revenue opportunities.

REVENUE ENHANCEMENTS

Revenue enhancements proposed for fiscal year 2003, are permanent changes resulting in the continuation of this revenue in future years. Descriptions of the enhancements proposed in the Fiscal Year 2003 budget follow.

Restructuring of the Corporation Business Tax

The budget proposes restructuring business taxes to restore balance to the State's mix of tax revenues and to bring fairness to corporate tax policy. A restructured CBT would broaden the tax base, wipe out a myriad of loopholes and tax shelters, restore simplicity and provide a lower tax rate for small businesses. The new alternative minimum assessment would cap tax bills at approximately \$5 million to prevent a disparate impact on any one corporate taxpayer.

For two decades the CBT has eroded as a viable and reliable source of revenue and has declined as a proportionate share of the total revenue collected from all taxes. In 1982, the CBT brought in \$838 million, about 15% of the state's total tax revenue. By fiscal year 1997 this proportion had dropped to 8% and by fiscal year 2001 it declined further to 6.6%. Without corrective action the CBT is projected to collect only \$820 million in fiscal year 2003, a drop to 4% of total state revenue. (See Figure 1A)

In contrast, wage earners have shouldered an increasingly larger share of the cost of state government. Individual income taxes were 22.7% of state revenues in fiscal year 1982, but will make up 35% of state revenues in fiscal year 2002. Likewise, the sales tax as a share of state revenues rose from 23.5% in fiscal year 1982 to 28.6% in fiscal year 2002. (See Figure 1B)

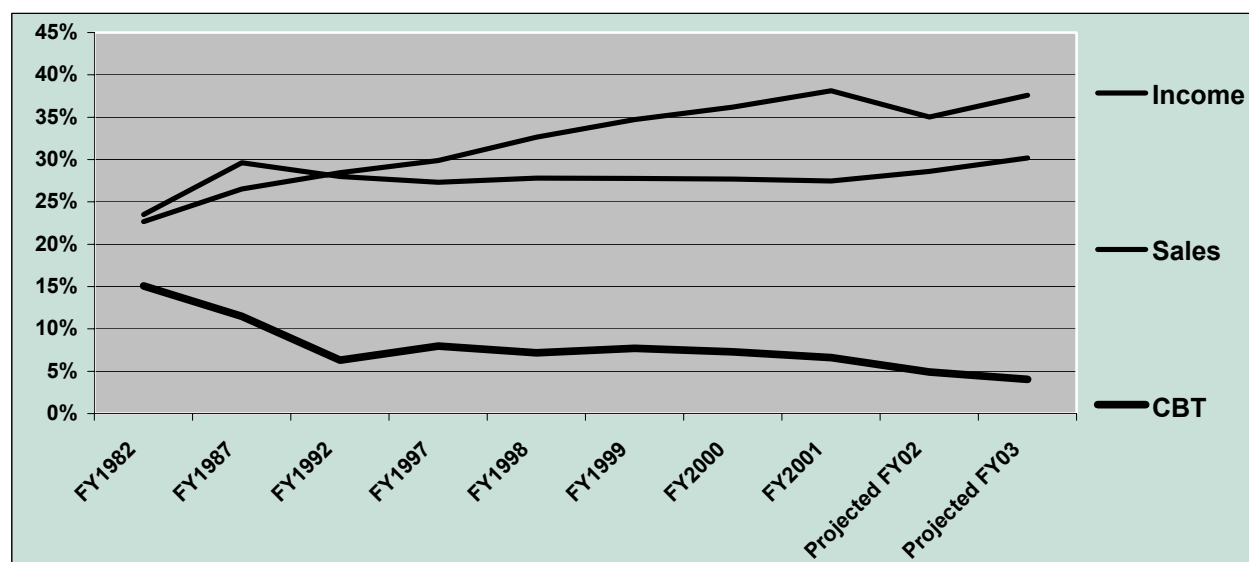
Despite unprecedented growth in corporate profits, the amount of funds collected through the CBT remained virtually level for most of the past decade. Since fiscal year 2000, however, revenues collected from the CBT have sharply declined. The projected collections of \$820 million in fiscal year 2003 would be less than revenues collected from the CBT in 1982, 20 years ago. (See Figure 2)

This precipitous drop will be compounded by a provision in the recently enacted federal economic stimulus package. It is estimated that the asset depreciation provision of this new law will reduce CBT collections by at least \$100 million in fiscal year 2003, and by even more in the following two years.

There are a variety of reasons for the erosion of the CBT, including tax loopholes and accounting maneuvers. For example, multi-state corporations are able to transfer profits off their New Jersey books, and into out-of-state companies, to reduce their New Jersey net income to little or nothing – thus avoiding New

Major Tax Revenues as a Share of Total Revenue since 1982

Figure 1A



In 1999, the last tax year for which statistics are available, nearly 77% of all companies – 201,258 out of 262,341 corporations – paid only the statutory minimum tax of \$200. Of those minimum taxpayers, 141,811 corporations were going concerns with economic activity, as opposed to shell corporations. (See Figures 3-5)

Of the 50 companies with the largest payrolls in New Jersey, 30 of them paid only the \$200 minimum in corporate income taxes.

Of the 50 largest employers, as measured by the number of employees, 15 paid less than \$50,000 in corporate income taxes, even including all of their subsidiaries. Nine of those employers paid less than \$400 dollars per related company. In total, those companies paid \$345 million in corporate income taxes, but 91% of those revenues came from only 10 of those companies.

Jersey taxes. The CBT also fails to reach many companies that have no physical presence in New Jersey, but send their sales forces into New Jersey's lucrative market. Those companies are able to entirely avoid New Jersey corporate taxes.

Uncorrected, the CBT in fiscal year 2003 would hit a level of zero growth as compared with 1982. Over this same period, the Gross Income Tax has increased by 518% and the sales tax increased by 377%.

Governor McGreevey is proposing a reform of the CBT that would increase revenues to \$1.8 billion, the level anticipated by the Legislature last year when it enacted the Fiscal Year 2002 budget. It will take a year for the CBT reforms to take effect, so the Governor will propose immediate steps to recoup revenues by establishing an alternative system.

The proposal will provide for an alternative minimum assessment that prevents corporations from avoiding payment of the state CBT, while protecting small businesses. The alternative system will be based not just on corporate profits, or on a company's physical presence in the state, but on their economic presence in New Jersey, including their payroll, property and sales within the state.

The proposal also will reduce the rate that small businesses currently pay under the regular CBT.

Loopholes will be closed that allow larger corporations to shelter income and pay only the minimum \$200 to the State. This alternative minimum assessment will be based on three measures of economic activity:

- Corporate Sales
- Payroll
- Property

The alternative minimum assessment will also apply to out-of-state companies that have a significant economic presence in New Jersey but currently pay no New Jersey corporate taxes. The corporation would calculate its tax under the current corporate business tax structure and under the alternate assessment, and would pay the greater of the two.

The alternative minimum assessment would be capped at approximately \$5 million, and no business subject to the alternative minimum assessment would pay more than that amount.

Of the revenue generated by the alternative minimum assessment, an estimated 70% will be derived from corporate sales, 20% will be derived from corporate payroll, and 10% will be derived from corporate property. The rates applied to the three factors will range from $1/10^{\text{th}}$ of 1% (.001) to half of 1% (.005). The combined rate for all three factors will not exceed 1%.

The brackets for each factor will be established so that small businesses are not affected by the alternative minimum assessment. For example, the first \$1 million of sales, the first \$200,000 in payroll, and the first \$500,000 of property would

be totally exempt from the alternative minimum assessment.

Increase the Cigarette Tax by 50 Cents

The proposed Fiscal Year 2003 Budget assumes \$200 million in additional revenue from a 50 cent increase in the cigarette tax, from 80 cents to \$1.30. Many other states are currently considering an increase in their cigarette taxes. New York is currently considering a proposal to increase the current tax from \$1.11 to \$1.50. Maryland is considering a 50-cent increase in the current 66 cents per pack tax. New Jersey is currently at a competitive disadvantage with Pennsylvania, whose tax is only 31 cents per pack. The potential increase of New Jersey's tax will not change this competitive disadvantage the State has with Pennsylvania.

SPECIAL REVENUE OPPORTUNITIES

Tobacco Securitization

New Jersey expects to receive approximately \$8 billion over the next 25 years in payments resulting from the tobacco settlement. This translates to about \$300 million per year in fiscal year 2003 and beyond. The 2003 budget proposes that New Jersey join the list of 28 other states and local governments that have issued bonds backed by Tobacco Settlement Receipts (TSRs). The State will essentially transfer a portion of its expected TSRs to a special-purpose entity whose sole purpose is to issue bonds backed by these receipts. The special-purpose entity pledges a portion of each annual TSR to pay the debt service. The State will continue to spend the remaining portion, if any, as it sees fit. The State would be legally separate from the entity and, therefore, would not put its own credit rating at risk.

Essentially, securitization poses an alternative similar to that of the State Lottery: an immediate, lump sum payment in place of smaller, annuity-type payments distributed over many years. Both options represent the same benefit value when adjusted for inflation or market interest rates. The State is essentially transferring the possible actual and perceived risks to investors resulting from reduced, stalled, or halted payments by the tobacco manufacturers under the Master Settlement

Agreement. More specifically, there would be an out-year risk to the current “annuity” method as the annual payments may go down due to inflation or variances in cigarette consumption. Securitization will provide budgetary certainty against that risk.

The combination of tobacco settlement and tobacco securitization will provide over \$1.3 billion in revenue. A detailed plan of this proposal will follow.

Fund Reallocations

Approximately \$370 million in diversions from various funds is accounted for in the Fiscal Year 2003 Budget. Specifically, the budget assumes the diversions of balances or revenues from the following funds:

- Escheats—\$209 million
- UMDNJ Self Insurance Fund—\$50 million
- Workforce Development Partnership Program—\$30 million
- TANF payment for EITC—\$23 million
- Loan payments for debt service—\$25 million
- Supplemental Workforce for Basic Skills—\$15 million
- Economic Development Authority Interest on School Construction—\$7.8 million
- Garden State Preservation Trust—\$7.3 million
- Enterprise Zone Assistance Fund—\$6 million (interest only).

Various Fee Adjustments

Approximately \$75 million in additional revenue can be collected in fiscal year 2003 through the increase in the number of fees. A portion of these fee increases represent an attempt to raise the fee to a level closer to the cost for providing a service. The fee increases proposed in the Fiscal Year 2003 Budget include:

- Increase license and registration restoration fees from \$50 to \$100 (\$12.4 million).
- Eliminate the discount for the bulk purchase of driver’s abstracts by

insurance companies and credit companies (\$27 million).

- Increase commercial truck/tractor registration fees by \$2 per 1,000 pounds (\$9.4 million).
- Increase boat registration fees (\$2.5 million).
- Increase various DEP fees to more accurately reflect the cost of providing the various approvals (\$18 million).
- Increase various fees in the Department of Agriculture to more accurately reflect the cost of providing various services (\$0.4 million).
- Increase fees for corporate filing and other corporate certificates (\$2.7 million).
- Impose new fees on HMOs to fund the oversight by the Department of Health (\$2.5 million).

Amend State Estate Tax to Offset Federal Tax Changes

Changes to the State Estate Tax could generate \$72 million in revenues for fiscal year 2003. The recently enacted federal estate tax law limits the amount of revenues the State currently collects. The majority of the states (37) have a tax structure similar to New Jersey and will lose revenue based on federal tax changes. Most of these states are now considering changes to recoup the expected revenue losses. Wisconsin and Rhode Island have already enacted changes.

Abrogate Reciprocal Agreement with Pennsylvania

The Fiscal Year 2003 Budget assumes \$37.5 million in additional income tax revenues through the abrogation of New Jersey’s reciprocal agreement with Pennsylvania. Under the current agreement effective January 1978, Pennsylvania residents deriving income from sources in New Jersey are not subject to New Jersey income tax on that compensation. Conversely, New Jersey residents who work in Pennsylvania are not subject to taxation in Pennsylvania with respect to compensations earned there. Voiding the agreement would subject Pennsylvania residents to New Jersey taxes on any income earned in New Jersey. The Division of Taxation states that when the

reciprocal agreement was entered into in 1978 the tax rates in New Jersey were 2% and 2.5%, similar to Pennsylvania. Now, however, the New Jersey rates have risen to a top rate of 6.37% while Pennsylvania's rate is 2.8%. The disparity in rates has increased New Jersey's costs associated with this agreement.

Delay of Next Phase of Sub-chapter S Tax Reduction

The delay of the next phase of the Subchapter S reductions that were approved in February 2001 will generate \$36 million in revenue for the Fiscal Year 2003 Budget. For Subchapter S corporations with a net income above \$100,000, the tax is scheduled to be reduced from 1.33% to 0.67% for tax periods July 1, 2002 to June 30, 2003. Repeal of this phase of the tax reduction as well as the reduction from 0.67% to 0% effective July 1, 2003 would save \$36 million in fiscal year 2003 and an additional \$36 million in fiscal year 2004. Subchapter S corporations would still receive the benefit of a reduction from 2% to 1.33%.

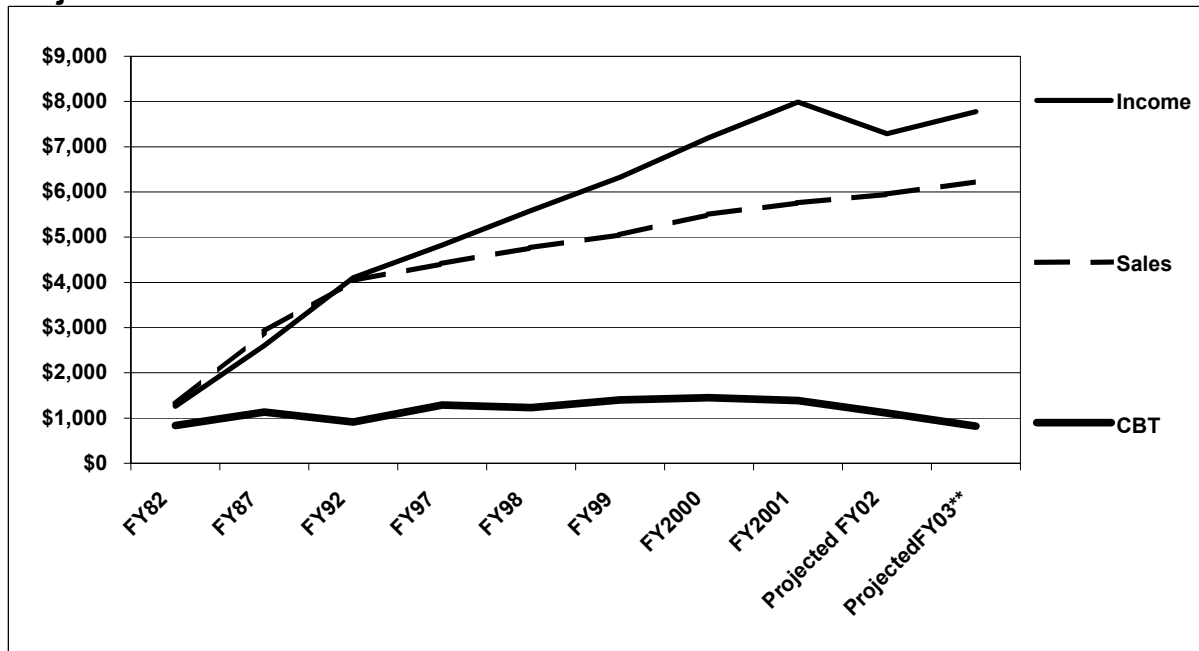
Impose Sales Tax on Complimentary Rooms and Meals

The Fiscal Year 2003 Budget projects \$33 million in revenue from the imposition of a sales tax on complimentary rooms and meals. Under current law, the compensating use tax is only imposed on tangible property and certain services. In the casino and hotel/motel industry, millions of dollars in complimentary meals, rooms, and show tickets are given to guests free of charge, which if they had been purchased, would have been subject to the sales tax. There is no logical reason for allowing a business to give away lodging without tax consequences when had they given away a tangible property, it would have been subject to a tax.

Other Tax Changes and Miscellaneous Revenue

The repeal of the recently enacted tax decrease for cigars and other tobacco products such as smokeless tobacco will provide \$7 million in revenue.

The Fiscal Year 2003 Budget also includes \$32.8 million in county payments under the solid waste restructuring program.

FIGURE 1A**Erosion of the CBT over 20 years****Major Revenues in millions**

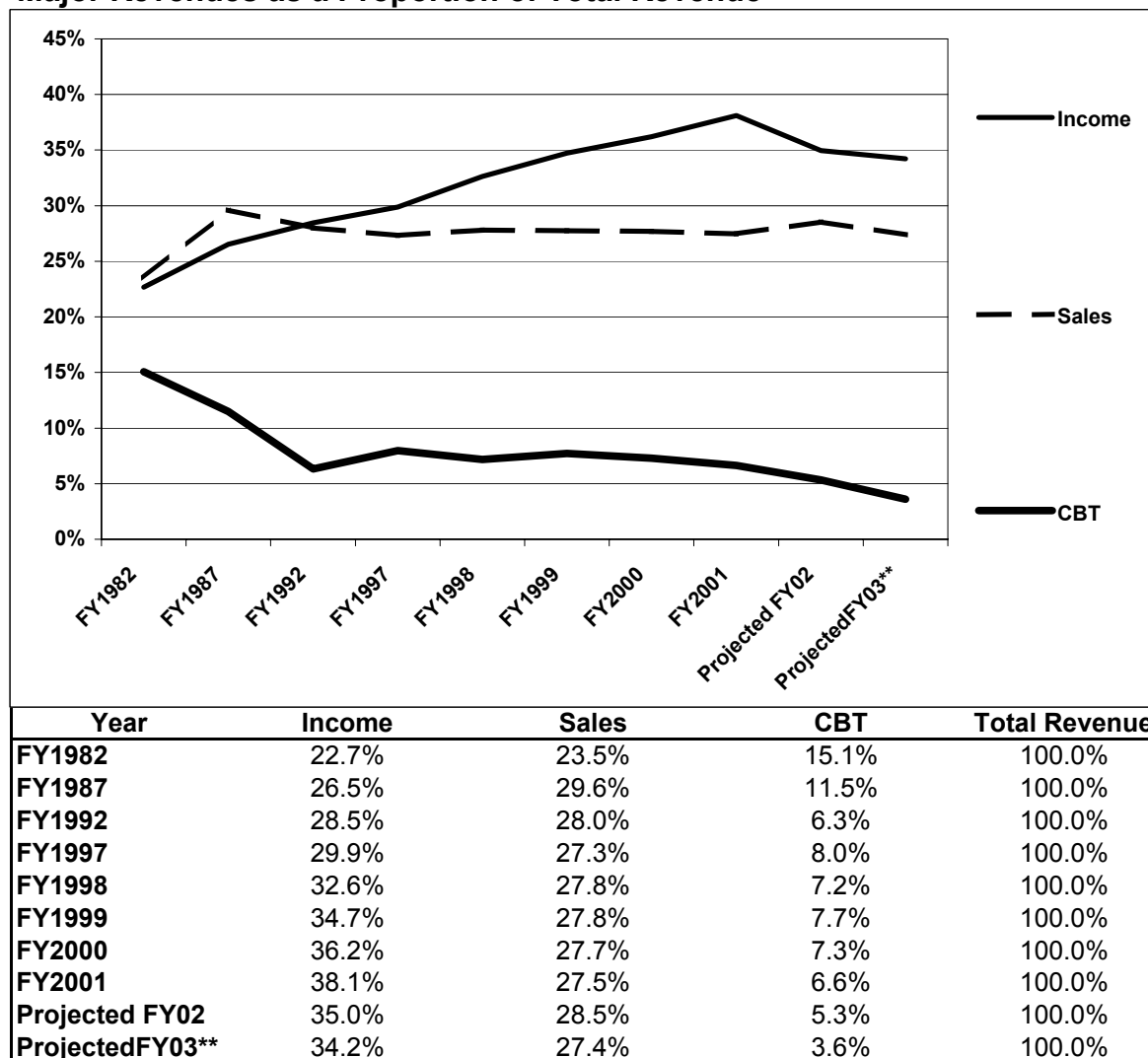
Year	Income	Sales	CBT	Total Revenue
FY82	1,259.0	1,304.7	837.8	5,555.9
FY87	2,605.9	2,910.7	1,129.2	9,827.4
FY92	4,101.9	4,037.8	910.7	14,415.8
FY97	4,825.4	4,415.4	1,286.5	16,154.9
FY98	5,590.6	4,766.2	1,231.6	17,132.4
FY99	6,323.9	5,054.4	1,402.9	18,206.5
FY2000	7,205.3	5,508.1	1,452.1	19,897.2
FY2001	7,989.2	5,758.7	1,389.5	20,960.9
Projected FY02	7,291.0	5,951.0	1,112.0	20,856.0
Projected FY03**	7,777.0	6,227.0	820.0	22,733.0

**Projected FY2003 is shown with CBT revenue if no CBT restructuring takes place

FIGURE 1B

Erosion of the CBT over 20 years

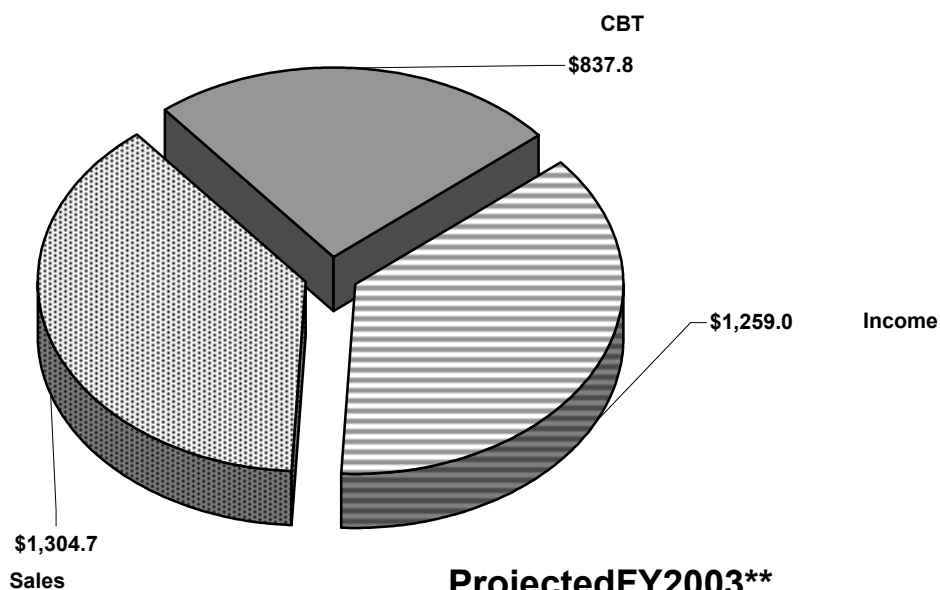
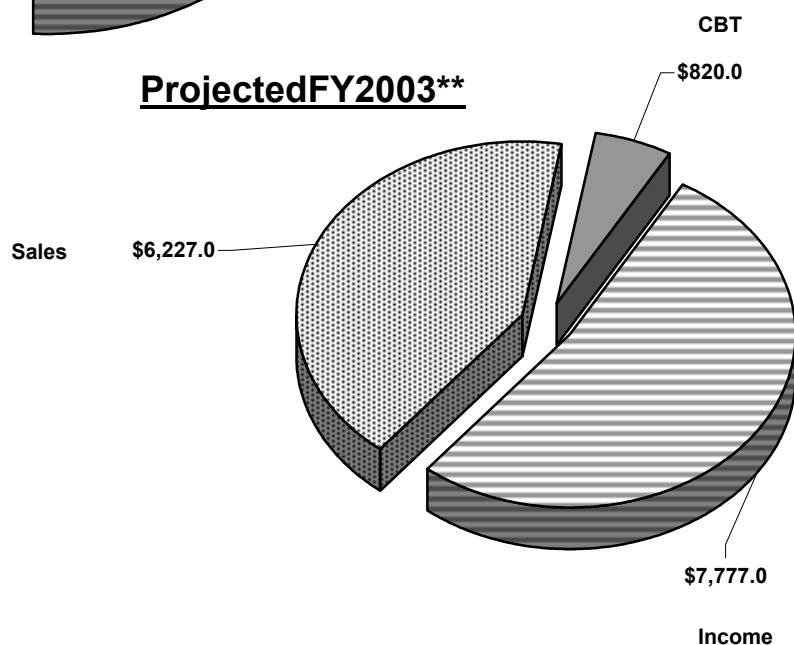
Major Revenues as a Proportion of Total Revenue



**Projected FY2003 is shown with CBT revenue if no CBT restructuring takes place

FIGURE 2**Actual Revenues from Major Taxes** *(in millions)*

Year	Income	Sales	CBT	Total
FY82	1,259.0	1,304.7	837.8	5,555.9
FY87	2,605.9	2,910.7	1,129.2	9,827.4
FY92	4,101.9	4,037.8	910.7	14,415.8
FY97	4,825.4	4,415.4	1,286.5	16,154.9
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FY2001	7,989.2	5,758.7	1,389.5	20,960.9
ProjectedFY2002	7,291.0	5,951.0	1,112.0	20,856.0
ProjectedFY2003**	7,777.0	6,227.0	820.0	22,733.0

FY82**ProjectedFY2003****

**Projected FY2003 is shown with CBT revenue if no CBT restructuring takes place

FIGURE 3

Corporate Profit (in billions) versus CBT in subsequent fiscal year

Year	Profit	CBT
CAL1990/FY91	15.55	1.08
CAL1991/FY92	16.35	0.91
CAL1992/FY93	17.16	0.96
CAL1993/FY94	19.01	1.06
CAL1994/FY95	21.29	1.09
CAL1995/FY96	24.77	1.17
CAL1996/FY97	27.50	1.29
CAL1997/FY98	30.15	1.23
CAL1998/FY99	27.69	1.4
CAL1999/FY00	29.39	1.45
CAL2000/FY01	31.21	1.39

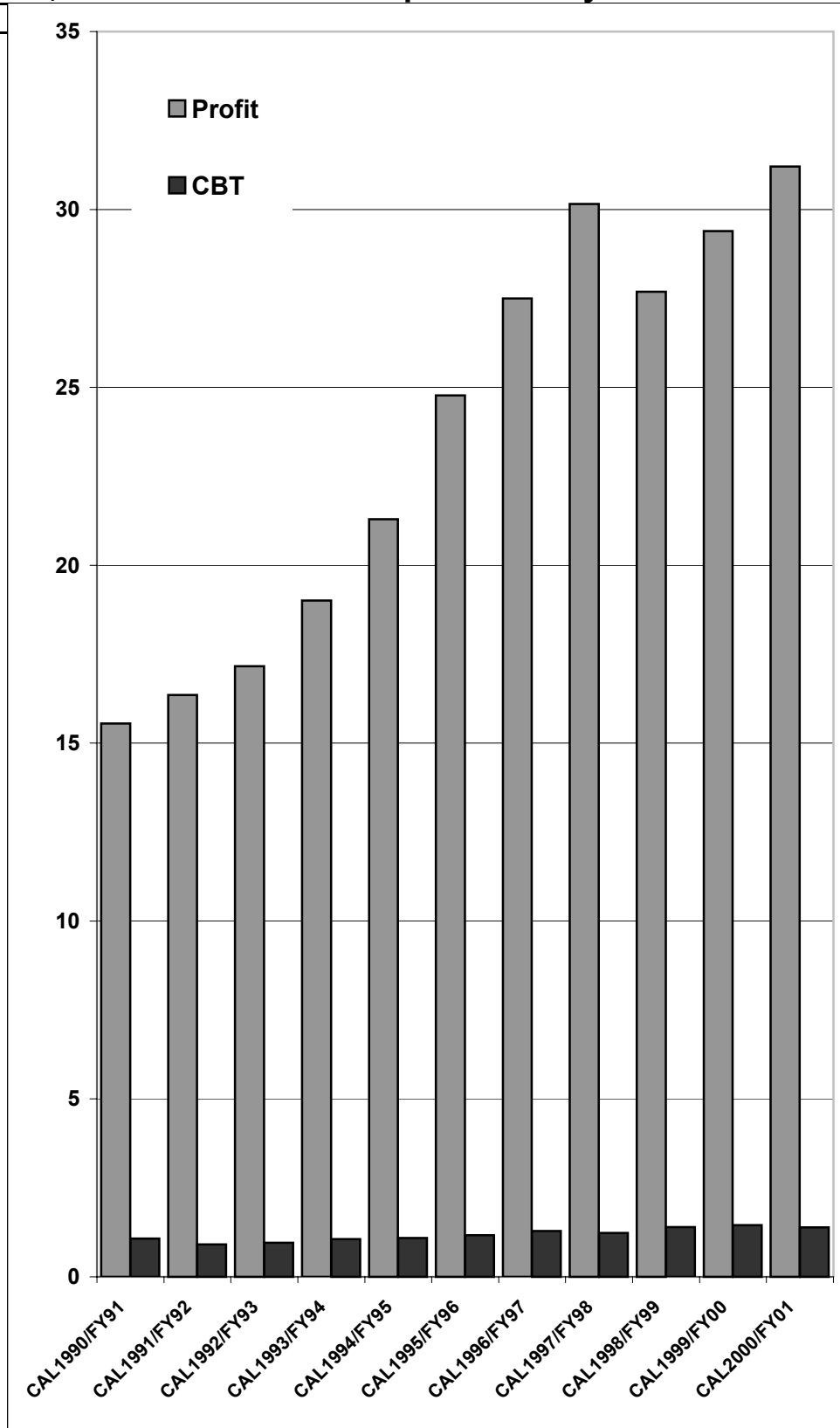


FIGURE 4

Business Tax Credits 1989-1998

Year	Amount
1989	\$1,908,183
1990	\$1,230,769
1991	\$1,062,000
1992	\$1,444,006
1993	\$2,059,873
1994	\$46,431,685
1995	\$52,502,614
1996	\$40,574,581
1997	\$46,558,267
1998	\$87,664,886

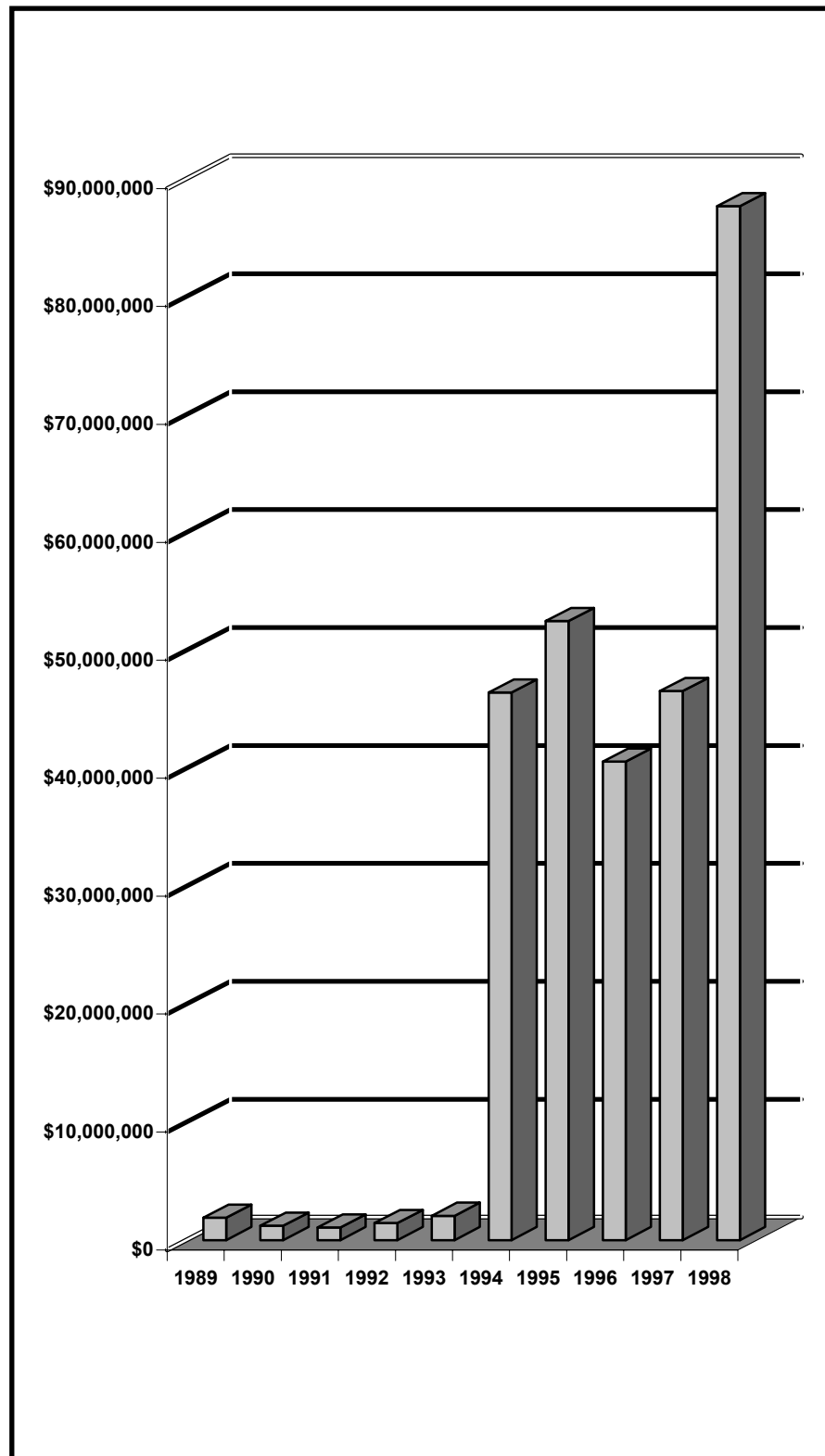
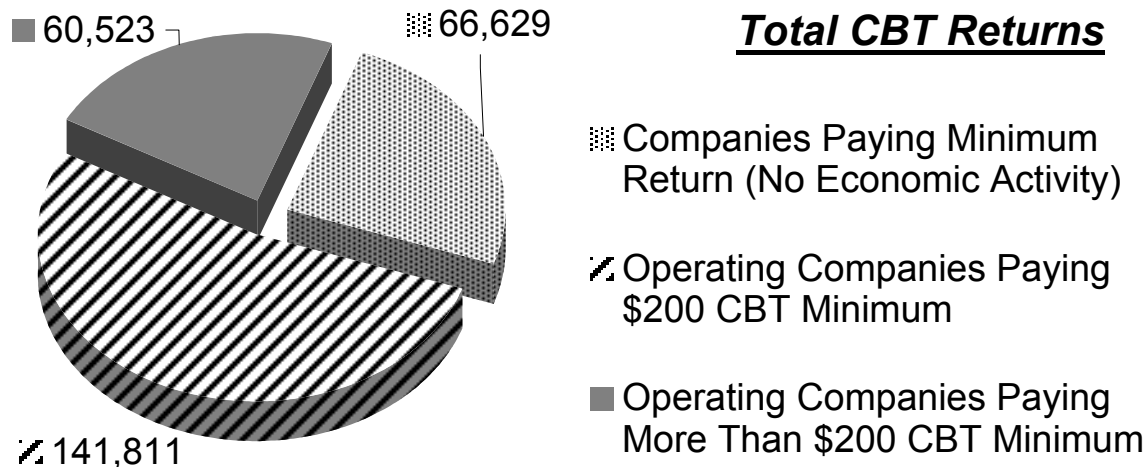
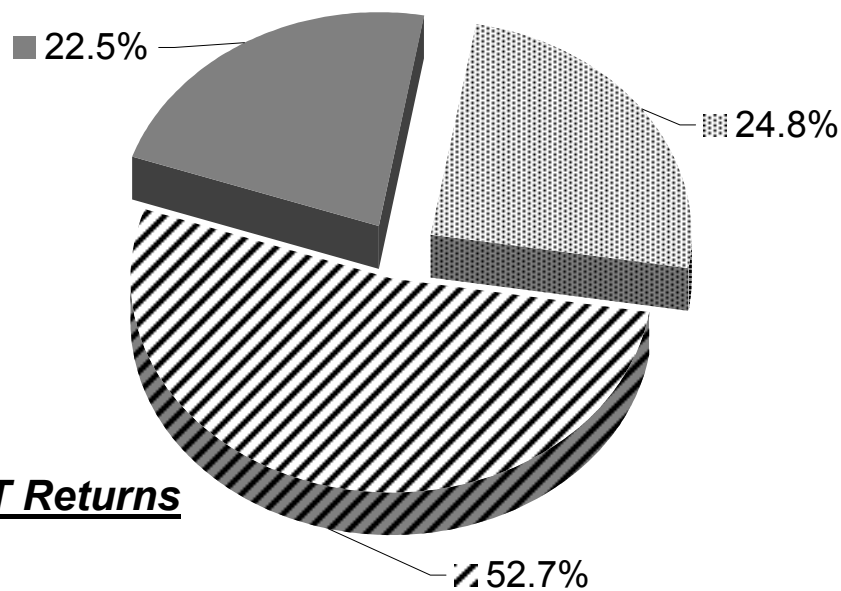


FIGURE 5

1998 Tax Year Total CBT Returns



Percentage CBT Returns



SUMMARIES OF APPROPRIATIONS

SUMMARY ESTIMATED REVENUES, EXPENDITURES AND FUND BALANCES (thousands of dollars)

	Fiscal Year Ending June 30	
	2002 Estimated	2003 Estimated
Beginning Balances July 1		
Undesignated Fund Balances		
General Fund	\$ 388,698	\$ 435,000
Surplus Revenue Fund	720,000	---
Property Tax Relief Fund	159,965	65,000
Gubernatorial Elections Fund	---	---
Casino Control Fund	(1,900)	---
Casino Revenue Fund	---	---
Debt Avoidance and Retirement Fund	20,802	---
Total Undesignated Fund Balances	1,287,565	500,000
State Revenues		
General Fund	13,149,100	15,536,745
Property Tax Relief Fund	7,291,000	7,776,971
Gubernatorial Elections Fund	1,500	1,500
Casino Control Fund	64,637	62,737
Casino Revenue Fund	350,000	360,000
Total State Revenues	20,856,237	23,737,953
Other Adjustments		
General Fund		
Balances lapsed	1,377,249	---
To Gubernatorial Elections Fund	(9,700)	---
To Casino Revenue Fund	(12,741)	---
From Surplus Revenue Fund	720,000	---
From (To) Debt Avoidance and Retirement Fund	20,802	(48,286)
Surplus Revenue Fund		
To General Fund	(720,000)	---
Debt Avoidance and Retirement Fund		
From (To) General Fund	(20,802)	48,286
Property Tax Relief Fund		
Balances lapsed	298,538	---
Gubernatorial Elections Fund		
From General Fund	9,700	---
Casino Revenue Fund		
From General Fund	12,741	---
Total Other Adjustments	1,675,787	---
Total Available	23,819,589	24,237,953
Appropriations		
General Fund	15,198,408	15,398,459
Property Tax Relief Fund	7,684,503	7,841,971
Gubernatorial Elections Fund	11,200	---
Casino Control Fund	62,737	62,737
Casino Revenue Fund	362,741	360,000
Total Appropriations	23,319,589	23,663,167
Ending Balances June 30		
Undesignated Fund Balances		
General Fund	435,000	525,000
Surplus Revenue Fund	---	---
Property Tax Relief Fund	65,000	---
Gubernatorial Elections Fund	---	1,500
Casino Control Fund	---	---
Casino Revenue Fund	---	---
Debt Avoidance and Retirement Fund	---	48,286
Total Undesignated Fund Balances	\$ 500,000	\$ 574,786

STATE REVENUES

FISCAL YEARS 2002 AND 2003 ESTIMATES

(\$ in thousands)

	APPROP ACT FY2002	REVISED FY2002	CHANGE FY2002	FY2003	CHANGE FY02 TO FY03
Major Taxes					
Sales Tax	\$6,137,000	\$5,951,000	(\$186,000)	\$6,227,275	\$276,275
Corporation Business	1,823,000	1,112,000	(711,000)	1,823,000	711,000
Corporation Energy	31,100	-	(31,100)	31,400	31,400
Motor Fuels	537,000	529,000	(8,000)	528,000	(1,000)
Motor Vehicle Fees	396,801	393,410	(3,391)	451,876	58,466
Transfer Inheritance	540,000	518,000	(22,000)	560,000	42,000
Insurance Premium	303,000	307,000	4,000	318,000	11,000
Cigarette	221,000	219,000	(2,000)	412,000	193,000
Petroleum Products Gross Receipts	224,000	220,000	(4,000)	225,000	5,000
Public Utility Excise	8,700	8,700	-	8,700	-
Corporation Banks and Financial Institutions	67,000	67,000	-	70,000	3,000
Alcoholic Beverage Excise	82,000	76,000	(6,000)	76,000	-
Realty Transfer	87,000	86,000	(1,000)	88,000	2,000
Savings Institution	11,000	6,000	(5,000)	5,000	(1,000)
Tobacco Products Wholesale Sales	15,000	12,000	(3,000)	13,000	1,000
Total Major Taxes	10,483,601	9,505,110	(978,491)	10,837,251	1,332,141
Miscellaneous Taxes, Fees, Revenues					
Medicaid Uncompensated Care	412,043	405,445	(6,598)	414,196	8,751
Good Driver	61,000	61,400	400	61,000	(400)
Motor Vehicle Inspection Fund	74,050	75,300	1,250	75,350	50
Investment Earnings	29,205	-	(29,205)	-	-
Public Utility GRFT	68,400	68,400	-	68,400	-
TEFA	126,400	225,453	99,053	226,241	788
Fringe Benefit Recoveries	196,000	200,100	4,100	207,000	6,900
Other Miscellaneous Revenue	894,544	943,774	49,230	960,115	16,341
Total Miscellaneous Taxes, Fees, Revenues	1,861,642	1,979,872	118,230	2,012,302	32,430
Interfund Transfers					
State Lottery Fund	765,000	747,000	(18,000)	797,000	50,000
Tobacco Settlement/Securitization	365,204	357,145	(8,059)	1,351,706	994,561
All Other Funds	427,937	559,973	132,036	538,486	(21,487)
Total Interfund Transfers	1,558,141	1,664,118	105,977	2,687,192	1,023,074
Total State Revenues General Fund	13,903,384	13,149,100	(754,284)	15,536,745	2,387,645
Property Tax Relief Fund	8,545,150	7,291,000	(1,254,150)	7,776,971	485,971
Casino Control Fund	59,703	64,637	4,934	62,737	(1,900)
Casino Revenue Fund	363,000	350,000	(13,000)	360,000	10,000
Gubernatorial Election Fund	1,500	1,500	-	1,500 *	-
TOTAL STATE REVENUES	\$22,872,737	\$20,856,237	(\$2,016,500)	\$23,737,953	\$2,881,716

* Excluded from General Fund Revenue

SUMMARY OF FISCAL YEAR 2002 - 2003 APPROPRIATION RECOMMENDATIONS BY FUND

(\$ in Thousands)

-----Year Ending June 30, 2001-----						Year Ending ---June 30, 2003---		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2002 Adjusted Approp.	Requested	Recom- mended
					General Fund			
\$4,754,382	\$426,522	\$70,492	\$5,251,396	\$4,894,425	Direct State Services	\$4,850,272	\$5,080,997	\$5,079,135
5,808,436	269,830	(140,641)	5,937,625	5,218,164	Grants-in-Aid	6,083,554	6,319,327	6,054,020
842,458	263,990	(32,804)	1,073,644	761,946	State Aid	2,695,133	2,742,525	2,722,355
1,188,068	327,195	(8,341)	1,506,922	1,170,999	Capital Construction	1,075,562	1,044,424	1,049,101
530,003	---	---	530,003	525,046	Debt Service	493,887	493,848	493,848
<u>\$13,123,347</u>	<u>\$1,287,537</u>	<u>(\$111,294)</u>	<u>\$14,299,590</u>	<u>\$12,570,580</u>	Total General Fund	<u>\$15,198,408</u>	<u>\$15,681,121</u>	<u>\$15,398,459</u>
8,298,794	31,661	(517)	8,329,938	8,240,146	Prop Tax Relief Fund	7,684,503	7,841,971	7,841,971
59,443	594	---	60,037	58,690	Casino Control Fund	62,737	62,737	62,737
350,140	53,977	---	404,117	398,843	Casino Revenue Fund	362,741	360,000	360,000
11,100	---	---	11,100	11,100	Gubernatorial Elections Fund	11,200	---	---
<u>\$21,842,824</u>	<u>\$1,373,769</u>	<u>(\$111,811)</u>	<u>\$23,104,782</u>	<u>\$21,279,359</u>	Grand Total	<u>\$23,319,589</u>	<u>\$23,945,829</u>	<u>\$23,663,167</u>
					State Appropriations			

SUMMARY OF FISCAL YEAR 2002 - 2003 APPROPRIATION RECOMMENDATION

(\$ in Thousands)

	Adjusted Appropriations	Fiscal 2003 Recommendations	----Change---- Dollar	Percent
General Fund and Property Tax Relief Fund				
State Aid and Grants	\$16,463,190	\$16,618,346	\$155,156	0.90%
State Operations				
Executive Departments	3,167,097	3,193,860	26,763	0.80%
Legislature	72,380	70,219	(2,161)	(3.0%)
Judiciary	479,035	487,672	8,637	1.80%
Interdepartmental	1,131,760	1,327,384	195,624	17.30%
Total State Operations	4,850,272	5,079,135	228,863	4.70%
Capital Construction	1,075,562	1,049,101	(26,461)	(2.5%)
Debt Service	493,887	493,848	(39)	0.00%
Total General Fund and Property Tax Relief Fund	<u>22,882,911</u>	<u>23,240,430</u>	<u>357,519</u>	1.60%
Casino Revenue Fund	362,741	360,000	(2,741)	(0.8%)
Casino Control Fund	62,737	62,737	---	0.00%
Gubernatorial Election Fund	11,200	---	(11,200)	(100.0%)
Grand Total State Appropriations	<u>\$23,319,589</u>	<u>\$23,663,167</u>	<u>\$343,578</u>	1.50%

RECOMMENDATIONS BY DEPARTMENT
STATE FUNDS
(\$ in Thousands)

	State Operations	Grants- In-Aid	State Aid	Capital Construction	Debt Service	2003 Total Recommend
Legislature	70,219	---	---	---	---	70,219
Chief Executive	5,424	---	---	---	---	5,424
Agriculture	10,731	2,254	8,642	---	---	21,627
Banking and Insurance	68,123	---	---	---	---	68,123
Community Affairs	37,271	37,041	979,564	---	---	1,053,876
Corrections	774,729	89,435	---	2,900	---	867,064
Education	55,683	13,551	7,618,847	400	---	7,688,481
Environmental Protection	218,980	500	15,009	86,165	76,833	397,487
Health and Senior Services	130,496	830,901	39,969	650	---	1,002,016
Human Services	626,790	3,234,277	280,925	7,500	---	4,149,492
Labor	60,293	33,719	---	---	---	94,012
Law and Public Safety	467,937	19,822	9,272	7,828	---	504,859
Military and Veterans Affairs	68,812	1,044	---	1,779	---	71,635
Personnel	27,195	---	---	---	---	27,195
State	27,362	1,134,003	19,575	---	---	1,180,940
Transportation	268,255	260,027	24,934	745,000	---	1,298,216
Treasury	408,087	1,369,156	381,052	5,500	417,015	2,580,810
Miscellaneous Commissions	1,392	---	---	---	---	1,392
Interdepartmental Account	1,327,384	573,864	---	191,379	---	2,092,627
The Judiciary	487,672	---	---	---	---	487,672
Total Recommendation	5,142,835	7,599,594	9,377,789	1,049,101	493,848	23,663,167

DEPARTMENT OPERATING BUDGET
(\$ in Thousands)

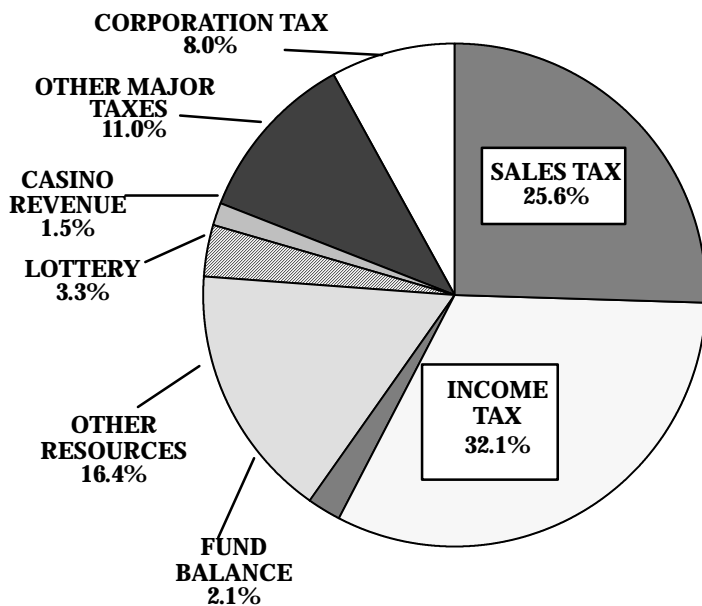
	Adjusted Approp. FY 2002	Recom- mended FY 2003	Difference 2002-2003	% Change 2002-2003
Total State Appropriations				
State Operations				
Legislature	\$72,380	\$70,219	(\$2,161)	(3.00%)
Chief Executive	5,718	5,424	(294)	(5.10%)
Department of Agriculture	11,392	10,731	(661)	(5.80%)
Department of Banking and Insurance	68,164	68,123	(41)	(0.10%)
Department of Community Affairs	39,466	37,271	(2,195)	(5.60%)
Department of Corrections	790,358	774,729	(15,629)	(2.00%)
Department of Education	57,620	55,683	(1,937)	(3.40%)
Department of Environmental Protection	226,956	218,980	(7,976)	(3.50%)
Department of Health and Senior Services	103,667	130,496	26,829	25.90%
Department of Human Services	579,402	626,790	47,388	8.20%
Department of Labor	58,560	60,293	1,733	3.00%
Department of Law and Public Safety	484,034	467,937	(16,097)	(3.30%)
Department of Military and Veterans' Affairs	72,037	68,812	(3,225)	(4.50%)
Department of Personnel	29,541	27,195	(2,346)	(7.90%)
Department of State	28,144	27,362	(782)	(2.80%)
Department of Transportation	241,900	268,255	26,355	10.90%
Department of the Treasury	443,646	408,087	(35,559)	(8.00%)
Miscellaneous Commissions	1,392	1,392	---	0.00%
Interdepartmental Accounts	1,131,760	1,327,384	195,624	17.30%
The Judiciary	479,035	487,672	8,637	1.80%
Total Executive Departments	\$4,925,172	\$5,142,835	\$217,663	4.40%

NEW JERSEY BUDGET

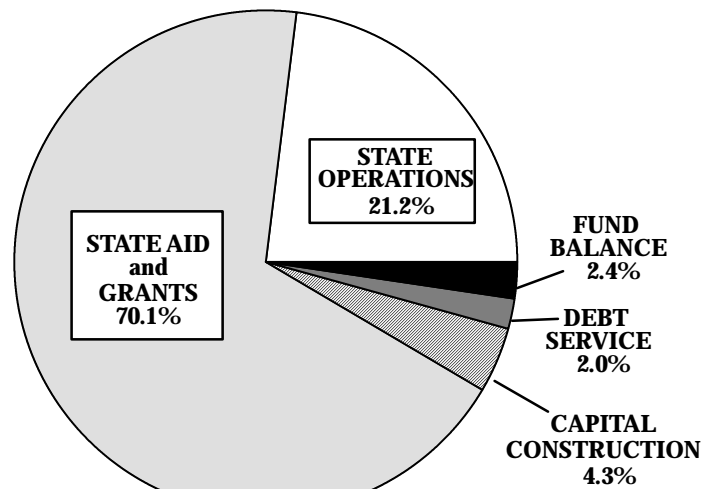
RESOURCES AND RECOMMENDATIONS FOR FISCAL YEAR 2003

ALL STATE FUNDS

Resources



Recommendations



RESOURCES

(\$000)

INCOME TAX	\$7,776,971
SALES TAX	6,227,275
CORPORATION and BANK TAX	1,924,400
LOTTERY REVENUE	797,000
CASINO REVENUE	360,000

OTHER MAJOR TAXES:

Transfer Inheritance	560,000
Motor Fuels	528,000
Motor Vehicle Fees	451,876
Cigarette	412,000
Insurance Premium	318,000
Petroleum Products Gross Receipts	225,000
Realty Transfer	88,000
Alcoholic Beverage Excise	76,000
Tobacco Products Wholesale Sales	13,000
Public Utility Excise	8,700
Savings Institutions	5,000

OTHER RESOURCES 3,966,731

SUB-TOTAL RESOURCES \$23,737,953

ESTIMATED FUND BALANCE, JULY 1, 2002

General Fund	435,000
Surplus Revenue Fund	--
Property Tax Relief Fund	65,000
Debt Retirement Fund	--
Casino Revenue Fund	--
Casino Control Fund	--
Gubernatorial Elections Fund	--
TOTAL	<u>\$24,237,953</u>

RECOMMENDATIONS

(\$000)

Education	\$7,688,481
Human Services	4,149,492
Interdepartmental	2,092,627
Treasury	1,850,235
Higher Education	1,419,900
Transportation	1,298,216
Community Affairs	1,053,876
Health and Senior Services	1,002,016
Corrections	867,064
Law and Public Safety	504,859
Debt Service	493,848
Judiciary	487,672
Environmental Protection	320,654
Labor	94,012
State	74,330
Military and Veteran's Affairs	71,635
Legislature	70,219
Banking and Insurance	68,123
Other Departments	55,908

SUB-TOTAL RECOMMENDATIONS \$23,663,167

ESTIMATED FUND BALANCE, JUNE 30, 2003

General Fund	525,000
Surplus Revenue Fund	--
Property Tax Relief Fund	--
Casino Revenue Fund	--
Casino Control Fund	--
Gubernatorial Elections Fund	1,500
Debt Avoidance and Retirement Fund	48,286
TOTAL	<u>\$24,237,953</u>

SUMMARIES OF APPROPRIATIONS

SUMMARY OF APPROPRIATIONS MAJOR INCREASES AND DECREASES

This table summarizes the major increases and decreases in the fiscal 2003 Budget, defined as a change of \$2 million or more. Information is organized by category.

Categories of appropriations are defined as follows:

State Operations consists of programs and services operated directly by the State government. The largest single component is for the salary and benefits of State employees. This portion of the budget is subject to the spending limitations imposed by the Cap Law.

Grants-in-Aid appropriations are for programs and services provided to the public on behalf of the State by a third party provider, or grants made directly to individuals based on assorted program eligibility criteria. The Medicaid program, the Tuition Assistance Grant Program, Homestead Rebates, payments for State inmates housed in county jails, public transportation aid, and funding for State Colleges and Universities fall into this category.

State Aid consists of payments to or on behalf of counties, municipalities, and school districts to assist them in carrying out their local responsibilities. In addition to School aid, this category of expenditure includes the Consolidated Municipal Property Tax Relief program; the Municipal Block Grant program, and other forms of municipal aid. It also includes funding for county colleges, local public assistance and county psychiatric hospital costs.

Debt Service payments represent the interest and principal on capital projects funded through the sale of general obligation bonds.

Capital Construction represents pay-as-you-go allocations for construction and other infrastructure items.

APPROPRIATIONS MAJOR INCREASES AND DECREASES (\$ In Millions)

	Increases	Decreases	Net Change
State Operations			
Contractual Salary Increases	\$ 113.2		
Employer Taxes	59.8		
Employee Benefits	59.0		
Debt Service on Pension Bonds	33.1		
Human Services Staffing	27.1		
Enhanced Inspection & Maintenance	26.0		
Medical Emergency Disaster Preparedness for Bioterrorism	25.0		
Establish the Department of the Public Advocate	10.0		
Human Services Technology	10.0		
Expansion of Cancer Initiatives	8.0		
Establish the Office of Counter-Terrorism	6.9		
State Police Forensic Laboratory Equipment	5.4		
Drug Court Programs	5.2		
Digitized Drivers' License	5.0		
Insurance Verification	4.0		
NJ Environmental Management System	3.8		
State Police Technology Enhancements	3.5		
Nanotechnology and Other Technologies	3.0		
Increased Juror Fee	2.0		
Route 29 Tunnel	1.9		
Other (Net)	30.3		
Subtotal State Operations Increases	<u>\$ 442.2</u>		

SUMMARIES OF APPROPRIATIONS

APPROPRIATIONS MAJOR INCREASES AND DECREASES (\$ In Millions)

	<u>Increases</u>	<u>Decreases</u>	<u>Net Change</u>
Pensions/Post Retirement Medical (PRM)		(30.8)	
FY 2002 Annualized Attrition		(14.1)	
Domestic Security Preparedness		(14.0)	
Central Rent		(12.0)	
State Police Rural Patrol Reduction		(11.7)	
Gubernatorial Election Fund - Public Financing Program		(11.2)	
Property Assessment Management System (PAMS)		(8.5)	
Institutional Inmate Population Decline - Institutional Impact		(8.3)	
Tax Amnesty Administration Costs		(7.0)	
New Car Waiver		(6.8)	
Automated Parole and Case Tracking System		(4.9)	
State Police Recruit Training		(4.7)	
Local Government Budget Review		(4.0)	
Statewide 911 Emergency Telephone System		(3.9)	
Environmental Testing Laboratory		(3.0)	
Enterprise License Agreement		(3.0)	
Corrections Overtime Reduction Initiative		(2.7)	
Action Now Projects - Safe Drinking Water Fund		(2.5)	
Commerce Business Marketing Campaign		(2.0)	
Equipment Reductions		(1.2)	
Other (Net)		<u>(84.0)</u>	
Subtotal State Operations Decreases		\$ (240.3)	
Net Change (State Operations)			\$ 201.9
Grants-in-Aid			
Medicaid Mandatory Growth	187.7		
Nursing Homes and Alternatives	72.2		
Pharmaceutical Assistance for the Aged & Disabled (PAAD) / Senior Gold Growth	60.5		
FamilyCare	48.1		
Welfare Growth Offset with Revenue	36.5		
Solid Waste Management Offset with Revenue	36.2		
Higher Education Health Benefits and Employer Taxes	29.3		
Community Providers Cost of Living Adjustment	29.2		
Cancer Institute of New Jersey	28.0		
Division of Youth and Family Services - Grants	24.5		
Federal Reallocation for DHS Institutional Certification	20.3		
DHS Abbott Preschool Growth	20.0		
Homestead Rebates	13.7		
Equipment Leasing Fund- Debt Service	10.7		
Governor's Literacy Initiative	10.0		
Senior and Disabled Citizens' Property Tax Freeze	7.4		
Community Services Waiting List Initiative	5.7		
Institutional Inmate Decline - County and Community Programs	5.1		
Home Assistance Growth	4.5		
Higher Education Capital Improvement Program--Debt Service	4.4		
Tuition Aid Grants (TAG)	2.3		
Family Development Homeless Prevention Initiative	2.0		
Other (Net)	<u>34.9</u>		
Subtotal Grants-in-Aid Increases	\$ 693.2		

SUMMARIES OF APPROPRIATIONS

APPROPRIATIONS MAJOR INCREASES AND DECREASES (\$ In Millions)

	<u>Increases</u>	<u>Decreases</u>	<u>Net Change</u>
Unemployment Insurance Diversion Savings		(180.3)	
Pharmaceutical Assistance to the Aged & Disabled (PAAD) Federal Waiver		(147.8)	
Senior Public Colleges and Universities		(64.3)	
NJ SAVER		(48.3)	
Community Affairs Non-recurring Grants		(38.1)	
Essex / Mercer County		(28.7)	
Housing Mortgage Finance Support for Lifeline		(25.0)	
Treasury Non-recurring Grants		(17.2)	
Hospital Rate Increase		(15.0)	
Excellence in High Technology Workforce		(15.0)	
Spousal Impoverishment		(12.2)	
Health Non-recurring Grants		(10.6)	
Physician Fee Increase		(8.8)	
Teacher Preparation and Recruitment		(8.7)	
Clean Water Initiatives		(6.0)	
Sports and Exposition Authority Operations		(6.0)	
Supplemental for Horse Racing Industry		(6.0)	
Biomedical and Other Technology Research		(5.0)	
Physician Reimbursement for ER Services		(5.0)	
Cathedral Health System, Newark		(5.0)	
Specialized Incubators Program		(4.8)	
Increase in Medicaid Reimbursement to Offset Expense		(4.5)	
Brownfields Redevelopment Grants		(4.0)	
Historic and Arts Grants		(4.0)	
Technology Transfer Program		(4.0)	
Fairleigh Dickinson University Distance Learning		(3.9)	
State Non-recurring Grants		(3.6)	
Human Services Non-recurring Grants		(3.4)	
Environmental Protection Non-recurring Grants		(3.2)	
Apprenticeship Program		(3.0)	
Municipal Mobile Video Program		(2.9)	
Outpatient Hospital Ambulatory Payment Groups (APGs)		(2.6)	
Incentive Grant Fund		(2.5)	
Downtown Living Initiative		(2.0)	
Other (Net)		<u>(29.4)</u>	
Subtotal Grants-in-Aid Decreases		<u>\$ (730.8)</u>	
Net Change (Grants-in-Aid)			<u><u>\$ (37.6)</u></u>

State Aid

Abbott Preschool Expansion	142.4
Teachers' Post-retirement Medical, Debt Service, and Social Security	71.9
CEIFA / Supplemental Programs - Education	37.6
State Reimbursement for Veterans' Property Tax Exemption:	16.7
Special Municipal Aid	13.8
Charter Schools / School Choice	10.3
Pension Contributions on Behalf of Local Government	9.5
General Assistance Cost Increases	6.5

SUMMARIES OF APPROPRIATIONS

APPROPRIATIONS MAJOR INCREASES AND DECREASES (\$ In Millions)

	<u>Increases</u>	<u>Decreases</u>	<u>Net Change</u>
Extraordinary Aid	5.0		
Teacher Mentoring	4.5		
County Psychiatric Hospitals	2.8		
County College Fringe Benefits and PRM	2.4		
Other (Net)	2.8		
<i>Subtotal State Aid Increases</i>	<u>\$ 326.2</u>		
School Construction and Renovation		(37.4)	
Regional Efficiency Aid Program (REAP)		(11.0)	
Regional Efficiency Development Incentive (REDI)		(5.0)	
County College Capital Projects (Chapter 12) Debt Service		(4.6)	
Watershed Moratorium Offset Aid		(3.4)	
Voting Machine Replacement		(3.0)	
Safe and Secure Neighborhoods		(2.6)	
Others (Net)		(53.4)	
<i>Subtotal State Aid Decreases</i>		<u>\$ (120.4)</u>	
<i>Net Change (State Aid)</i>			<u><u>\$ 205.8</u></u>
Capital Construction			
Transportation Trust Constitutionally Dedicated Growth	60.0		
Building Authority Debt Service - State Police Emergency Operations Center and Other Projects	22.9		
State Police Technology Projects	6.0		
OIT Availability and Recovery Site	5.5		
New State Police Training Facility	5.0		
Statewide Facility Security Projects	4.2		
DHS Automated Child Welfare System	3.3		
<i>Subtotal Capital Construction Increases</i>	<u>\$ 106.9</u>		
Transportation Trust Toll Road Contributions		(24.5)	
Parks and Other DEP Projects		(21.1)	
State Complex Facilities Projects		(17.9)	
Corrections Projects		(16.3)	
State Police and Juvenile Justice Commission Projects		(12.3)	
Dam Repairs		(11.7)	
Rutgers Projects		(6.5)	
DMV Inspection Station and Customer Service Improvements		(6.0)	
Vineland Veterans' Home and Other Projects		(4.2)	
Battleship New Jersey		(3.5)	
Other (Net)		(9.4)	
<i>Subtotal Capital Construction Decreases</i>		<u>\$ (133.4)</u>	
<i>Net Change (Capital Construction)</i>			<u><u>\$ (26.5)</u></u>
Debt Service			<u><u>\$ -</u></u>
GRAND TOTALS	<u><u>\$ 1,568.5</u></u>	<u><u>\$ (1,224.9)</u></u>	<u><u>\$ 343.6</u></u>

FISCAL 2003 TAXPAYER RELIEF

(\$ in Millions)

Program	FY 2002	FY 2003	\$ Change	% Change
School Aid				
Direct Aid	\$ 6,453.6	\$ 6,641.2	\$ 187.6	2.9%
School Construction and Renovation	82.0	44.6	(37.4)	-45.6%
Teachers' Retirement Benefits & Social Security	905.7	977.6	71.9	7.9%
Subtotal School Aid	\$ 7,441.3	\$ 7,663.4	\$ 222.1	3.0%
Municipal Aid				
Consolidated Municipal Property Tax Relief Aid	\$ 835.2	\$ 835.2	\$ -	0.0%
Energy Receipts Property Tax Relief Aid	755.0	755.0	-	0.0%
Special Municipal Aid	38.7	52.5	13.8	35.7%
Legislative Initiative Block Grant Program	34.8	34.8	-	0.0%
Extraordinary Aid	25.0	30.0	5.0	20.0%
Regional Efficiency Aid Program (REAP)	20.0	9.0	(11.0)	(55.0%)
Regional Efficiency Development Incentive Grant Program	5.0	-	(5.0)	(100.0%)
Watershed Moratorium Offset Aid	3.4	-	(3.4)	(100.0%)
Open Space - Payments in Lieu of Taxes	7.4	8.0	0.6	8.1%
Subtotal Municipal Aid	\$ 1,724.5	\$ 1,724.5	\$ -	0.0%
Other Local Aid				
County College Aid	\$ 203.7	\$ 201.6	\$ (2.1)	(1.0%)
Transportation Trust Fund - Local Project Aid	150.0	150.0	-	0.0%
Aid to County Psychiatric Hospitals	91.7	94.5	2.8	3.1%
General Assistance Administration	22.5	22.5	-	0.0%
Urban Enterprise Zones - Sales Tax Dedication	57.4	79.0	21.6	37.6%
DCA - Housing and Neighborhood Assistance	16.7	16.7	-	0.0%
Library Aid	15.4	16.9	1.5	9.7%
Pension Contributions on behalf of Local Governments	21.9	31.4	9.5	43.4%
Subtotal Other Local Aid	\$ 579.3	\$ 612.6	\$ 33.3	5.7%
Direct Taxpayer Relief				
Direct School Tax Relief Program (NJ SAVER)	\$ 727.4	\$ 679.1	\$ (48.3)	(6.6%)
Homestead Rebates	500.6	514.3	13.7	2.7%
Senior/Disabled Citizens' Property Tax Freeze	10.6	18.0	7.4	69.8%
Municipal Reimbursement--Veterans' Tax Exemptions	53.0	69.7	16.7	31.5%
Municipal Reimbursement--Senior/Disabled Citizens' Tax Exemptions	28.3	26.0	(2.3)	(8.1%)
Property Tax Deduction Act	316.8	327.8	11.0	3.5%
Subtotal Direct Taxpayer Relief	\$ 1,636.7	\$ 1,634.9	\$ (1.8)	(0.1%)
Subtotal Direct Aid & Taxpayer Relief	\$ 11,381.8	\$ 11,635.4	\$ 253.6	2.2%
Pension Savings				
School District Pension Security Program Savings	\$ 10.6	\$ 10.6	\$ -	0.0%
Municipal Pension Security Program Savings	12.8	12.8	-	0.0%
Other Local Pension Security Program Savings	25.3	25.3	-	0.0%
Police & Firemen's Retirement System Pension Offset Savings	150.0	263.2	113.2	75.5%
Subtotal Pension Savings	\$ 198.7	\$ 311.9	\$ 113.2	57.0%
GRAND TOTAL - TAXPAYER RELIEF	\$ 11,580.5	\$ 11,947.3	\$ 366.8	3.2%

SUMMARIES OF APPROPRIATIONS

STATE AID FOR LOCAL SCHOOL DISTRICTS CONSOLIDATED SUMMARY GENERAL FUND AND PROPERTY TAX RELIEF FUND (thousands of dollars)

---Recommended Fiscal Year 2003---

	Expended Fiscal 2001	Adjusted Appropriation Fiscal 2002	Requested Fiscal 2003	General Fund	Property Tax Relief Fund	Total
Formula Aid Programs:						
Core Curriculum Standards Aid	2,942,595	3,080,318	3,080,318	890,866	2,189,452	3,080,318
Abbott v. Burke Parity Remedy	370,941	429,056	512,656	-	512,656	512,656
Supplemental Core Curriculum Standards Aid	209,621	251,768	251,768	-	251,768	251,768
Early Childhood Aid	313,226	330,630	330,630	-	330,630	330,630
Instructional Supplement	17,552	15,621	15,621	-	15,621	15,621
Demonstrably Effective Program Aid	192,906	199,512	199,512	-	199,512	199,512
Rewards and Recognition	10,008	9,957	9,957	-	9,957	9,957
Stabilization Aid	135,705	111,626	111,626	-	111,626	111,626
Stabilization Aid 2	5,070	2,491	2,491	-	2,491	2,491
Stabilization Aid 3	-	11,402	11,402	-	11,402	11,402
Additional Supplemental Stabilization Aid:						
Large Efficient Districts	4,500	5,250	5,250	-	5,250	5,250
High Senior Citizen Concentrations	1,850	1,231	1,231	-	1,231	1,231
Regionalization Incentive Aid	17,612	18,295	18,295	-	18,295	18,295
Categorical Aids:						
Distance Learning Network	56,820	59,162	59,162	-	59,162	59,162
Adult Education Grants	26,654	28,721	28,721	-	28,721	28,721
Bilingual Education	59,250	65,578	65,578	-	65,578	65,578
Special Education	760,350	896,420	896,420	-	896,420	896,420
County Vocational Education	35,273	38,948	38,948	-	38,948	38,948
Pupil Transportation Aid	301,777	303,187	303,187	-	303,187	303,187
School Choice	1,009	1,945	3,755	-	3,755	3,755
Aid for Enrollment Adjustments	34,558	16,456	16,456	-	16,456	16,456
Less:						
Stabilization Aid Growth Limitation	(68,073)	(73,576)	(73,576)	-	(73,576)	(73,576)
Subtotal, Net T&E Budget	5,429,204	5,803,998	5,889,408	890,866	4,998,542	5,889,408
School Construction and Renovation Fund	65,525	81,993	44,600	44,600	-	44,600
Debt Service Aid	154,933	140,873	137,858	137,858	-	137,858
Subtotal, School Building Aid	220,458	222,866	182,458	182,458	-	182,458
TOTAL FORMULA AID	5,649,662	6,026,864	6,071,866	1,073,324	4,998,542	6,071,866

SUMMARIES OF APPROPRIATIONS

STATE AID FOR LOCAL SCHOOL DISTRICTS CONSOLIDATED SUMMARY GENERAL FUND AND PROPERTY TAX RELIEF FUND (thousands of dollars)

---Recommended Fiscal Year 2003---

	Expended Fiscal 2001	Adjusted Appropriation Fiscal 2002	Requested Fiscal 2003	General Fund	Property Tax Relief Fund	Total
Other Aid to Education:						
Nonpublic School Aid	86,543	97,043	92,899	92,899	-	92,899
Whole School Reform Incentive Grants	11,053	-	-	-	-	-
Additional Abbott v. Burke State Aid*	177,682	348,674	305,674	-	305,674	305,674
Abbott Preschool Expansion Aid	-	-	142,400	-	142,400	142,400
Payment for Children with Unknown District of Residence	13,529	13,610	13,610	-	13,610	13,610
Extraordinary Special Education Costs Aid	10,067	15,000	15,000	-	15,000	15,000
County Special Services Tuition Stabilization	433	250	-	-	-	-
General Vocational Aid	5,460	5,460	5,460	5,460	-	5,460
Additional School Building Aid (Debt Service)	6,458	5,484	4,532	-	4,532	4,532
Educational Information & Resource Center	400	450	-	-	-	-
Charter School Aid	5,020	6,000	14,500	-	14,500	14,500
Charter Schools - Council on Local Mandates Decision Offset Aid	4,699	5,600	5,600	-	5,600	5,600
Character Education	4,735	4,750	4,750	-	4,750	4,750
Teacher Quality Mentoring	1,135	2,000	6,460	-	6,460	6,460
Other Aid	7,428	4,430	3,098	2,578	520	3,098
Subtotal, Other Aid to Education	334,642	508,751	613,983	100,937	513,046	613,983
Subtotal, Department of Education	5,984,304	6,535,615	6,685,849	1,174,261	5,511,588	6,685,849
Direct State Payments for Education:						
Teachers' Pension Assistance	174,562	244,464	275,800	275,800	-	275,800
Debt Service on Pension Obligation Bonds	69,545	72,665	76,899	76,899	-	76,899
Pension and Annuity Assistance - Other	30,829	36,029	48,349	48,349	-	48,349
Teachers' Social Security Assistance	510,280	552,578	576,550	576,550	-	576,550
TOTAL	6,769,520	7,441,351	7,663,447	2,151,859	5,511,588	7,663,447

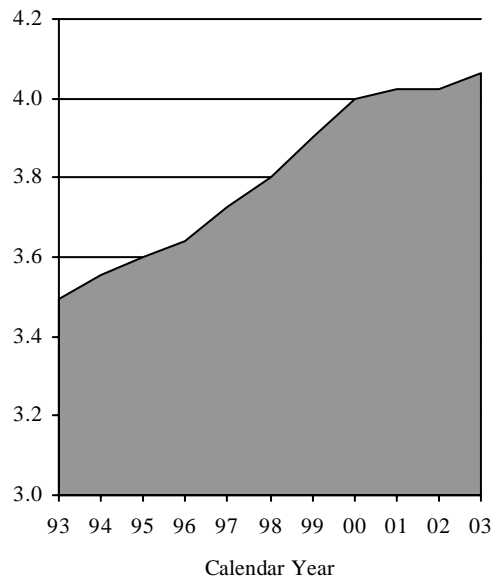
* The recommended fiscal 2003 appropriation for Additional Abbott v. Burke State Aid will be adjusted downwards or upwards, as necessary, to fulfill the responsibilities of the Commissioner under the Abbott order.

Economic Growth

(1993 - 2003)

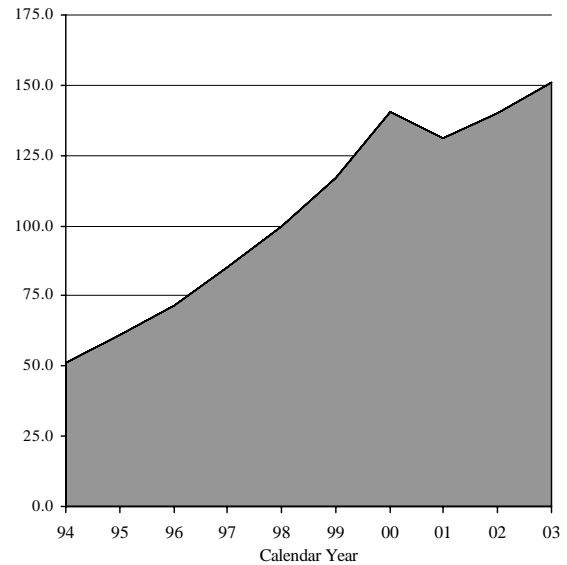
NEW JERSEY EMPLOYMENT
1993 - 2003

In Millions



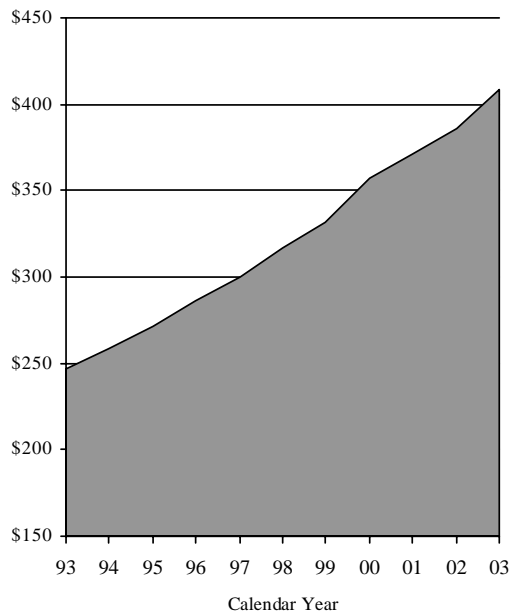
GROWTH OF INCOME OVER \$100,000
1994 - 2003

\$ In Billions



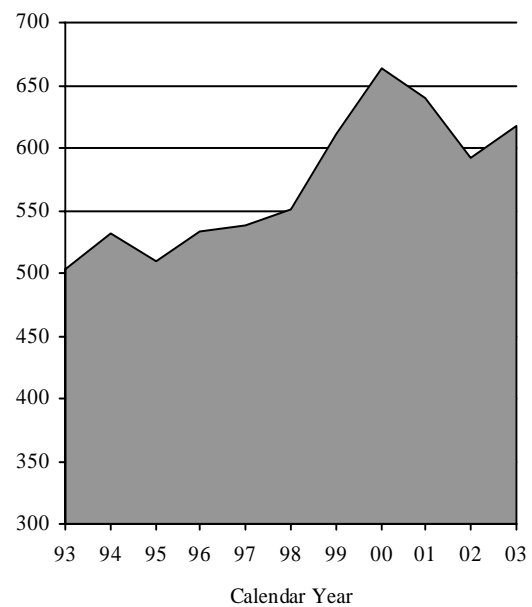
NEW JERSEY GROSS STATE PRODUCT
1993 - 2003

In Billions



NEW VEHICLE REGISTRATIONS
1993 - 2003

In Thousands



Revenues

FY2003

(In Millions)

	FY2002 Adjusted Revenues	FY2003 Revenues	Change	
			\$	%
Income	\$ 7,291	\$ 7,777	\$ 486	6.7
Sales	5,951	6,227	276	4.6
Corporate	1,112	1,823	711	63.9
Other*	<u>6,502</u>	<u>7,909</u>	<u>1,407</u>	21.6
Total	<u>\$ 20,856</u>	<u>\$ 23,736</u>	<u>\$ 2,880</u>	13.8%

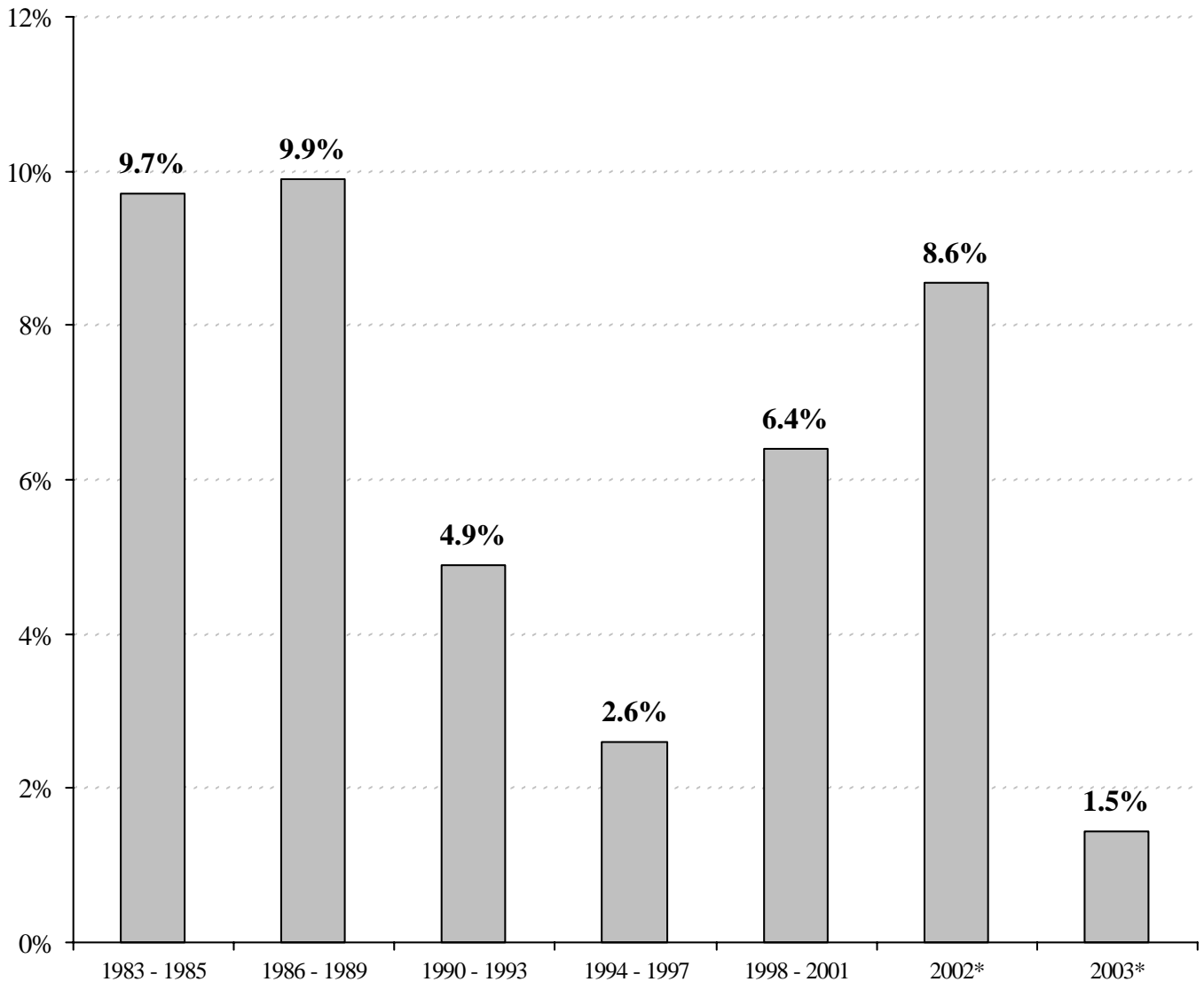
* Includes CBT -Energy

The Fiscal 2003 Budget

(In Millions)

	FY2002 Adjusted Approp.	FY2003 Budget	% Change to Adjusted Approp.
Opening Surplus	\$ 1,288	\$ 500	(61.2)%
Revenues			
Income	7,291	7,777	6.7%
Sales	5,951	6,227	4.6%
Corporate	1,112	1,823	63.9%
Other	<u>6,502</u>	<u>7,909</u>	21.6%
Total Revenues	\$ 20,856	\$ 23,736	13.8%
Lapses	<u>1,676</u>	<u>---</u>	
Total Resources	<u>\$ 23,820</u>	<u>\$ 24,236</u>	1.7%
Appropriations			
Original	\$22,921	\$23,663	3.2%
Supplemental	<u>399</u>	<u>---</u>	
Total Appropriations	<u>\$ 23,320</u>	<u>\$ 23,663</u>	1.5%
Fund Balance	\$ 500	\$ 525	
Debt Retirement Fund	<u>---</u>	<u>48</u>	

Summary of Fiscal Year Expenditures



Average Percent of Growth of Expenditures

* Estimated

Funding for Property Tax Relief

(In Millions)

<u>Programs</u>	<u>FY2002 Adjusted Approp.</u>	<u>FY2003 Budget</u>	<u>\$ Change to Adjusted Approp.</u>
School Aid	\$ 7,441.3	\$ 7,663.4	\$ 222.1
Municipal Aid	1,724.5	1,724.5	-
Other Local Aid	579.3	612.6	33.3
Direct Taxpayer Relief	<u>1,636.7</u>	<u>1,634.9</u>	<u>(1.8)</u>
Subtotal Direct Aid	\$ 11,381.8	\$ 11,635.4	\$ 253.6
Pension Security Program Savings	48.7	48.7	-
PFRS Pension Offset Savings	<u>150.0</u>	<u>263.2</u>	<u>113.2</u>
Subtotal Pension Savings	<u>\$ 198.7</u>	<u>\$ 311.9</u>	<u>\$ 113.2</u>
Grand Totals	<u>\$ 11,580.5</u>	<u>\$ 11,947.3*</u>	<u>\$ 366.8</u>

* Approximately 50% of the total Budget

School Aid

(In Millions)

	FY2002 Adjusted Approp.	FY2003 Budget	\$ Change to Adjusted Approp.
CEIFA/Supplemental Programs	\$ 6,292	\$ 6,329	\$ 37
Abbott Preschool Expansion	-	142	142
School Choice/Charter Schools	14	24	10
Teacher Quality Mentoring	2	6	4
Other Aid	145	139	(6)
Total Direct School Aid	\$ 6,453	\$ 6,640	\$ 187
Post Retirement Medical, Debt Service and Social Security	906	978	72
School Construction and Renovation	82	45	(37)
Total School Aid	\$ 7,441	\$ 7,663	\$ 222
Governor's Literacy Program	-	10	10
Local Pension Security Program Savings	11	11	-
Total School Aid and Related Items	\$ 7,452	\$ 7,684	\$ 232

Municipal Aid

(In Millions)

	FY2002 Adjusted Approp.	FY2003 Budget	\$ Change to Adjusted Approp.
Consolidated Municipal Property Tax Relief Aid (CMPTRA)	\$ 835.2	\$ 835.2	\$ -
Energy Receipts Property Tax Relief Aid	755.0	755.0	-
Special Municipal Aid	38.7	52.5	13.8
Regional Efficiency Aid Program (REAP)	20.0	9.0	(11.0)
Legislative Initiative Block Grant Program	34.8	34.8	-
Extraordinary Aid	25.0	30.0	5.0
Watershed Moratorium Offset Aid	3.4	-	(3.4)
Regional Efficiency Development Incentive (REDI) Grant Program	5.0	-	(5.0)
Open Space - Payment In Lieu of Taxes (PILOT)	7.4	8.0	0.6
Subtotal Direct Municipal Aid	\$ 1,724.5	\$ 1,724.5	\$ -
Municipal Pension Security Program Savings	12.8	12.8	-
Municipal PFRS Pension Offset Savings	120.7	209.0	88.3
Total Municipal Aid and Budget Savings	\$ 1,858.0	\$ 1,946.3	\$ 88.3

Direct Property Tax Relief

(In Millions)

	<u>FY2002 Adjusted Approp.</u>	<u>FY2003 Budget</u>	<u>\$ Change to Adjusted Approp.</u>
NJ SAVER	\$ 727.4	\$ 679.1	\$ (48.3)
Homestead Rebates	500.6	514.3	13.7
Senior/Disabled Citizens Property Tax Freeze	10.6	18.0	7.4
Municipal Reimbursement - Veterans' Tax Exemptions	53.0	69.7	16.7
Municipal Reimbursement - Senior/Disabled Citizens' Tax Exemptions	28.3	26.0	(2.3)
Property Tax Deduction Act	<u>316.8</u>	<u>327.8</u>	<u>11.0</u>
Total Direct Property Tax Relief	<u>\$ 1,636.7</u>	<u>\$ 1,634.9</u>	<u>\$ (1.8)</u>

Homeland Security – State Spending

(In Millions)

<u>Department</u>	<u>Program</u>	<u>FY2003 Budget</u>
Health	Bioterrorism Response	\$ 25.0
	Disease Surveillance	3.3
L&PS	State Police Lab/Communications	5.4
	* State Police Professional Learning Center	5.0
	Counter-Terrorism	9.6
	Office of Emergency Management	1.0
DOT	Digitized Driver's License	6.5
Treasury	Disaster Recovery	5.7
Other		<u>4.5</u>
Total State Funds		<u><u>\$ 66.0</u></u>

* Design and engineering costs for the \$100 million State Police Professional Learning Center and new headquarters.

Higher Education

(In Millions)

	<u>FY2002 Adjusted Approp.</u>	<u>FY2003 Budget</u>	<u>\$ Change to Adjusted Approp.</u>
COLLEGES AND UNIVERSITIES			
Senior Public Colleges and Universities	\$ 1,281.0 *	\$ 1,240.7	\$ (40.3)
County Colleges	203.7	201.6	(2.1)
Independent Colleges and Universities	24.5 **	24.5	-
STUDENT FINANCIAL ASSISTANCE	226.5	228.0	1.5
HIGH-TECH INITIATIVES			
Excellence in High Technology Workforce	15.0	-	(15.0)
Biomedical and Other Technology Research	5.0	-	(5.0)
TEACHER QUALITY			
Teacher Preparation	7.7	3.0	(4.7)
OTHER PROGRAMS	<u>97.2</u>	<u>94.2</u>	<u>(3.0)</u>
Grand Total	<u><u>\$ 1,860.6</u></u>	<u><u>\$ 1,792.0</u></u>	<u><u>\$ (68.6)</u></u>

* Colleges actually receive \$1,216.7 million due to FY2002 spending controls.

** Colleges actually receive \$17.8 million due to FY2002 spending controls.

Transportation Trust Fund

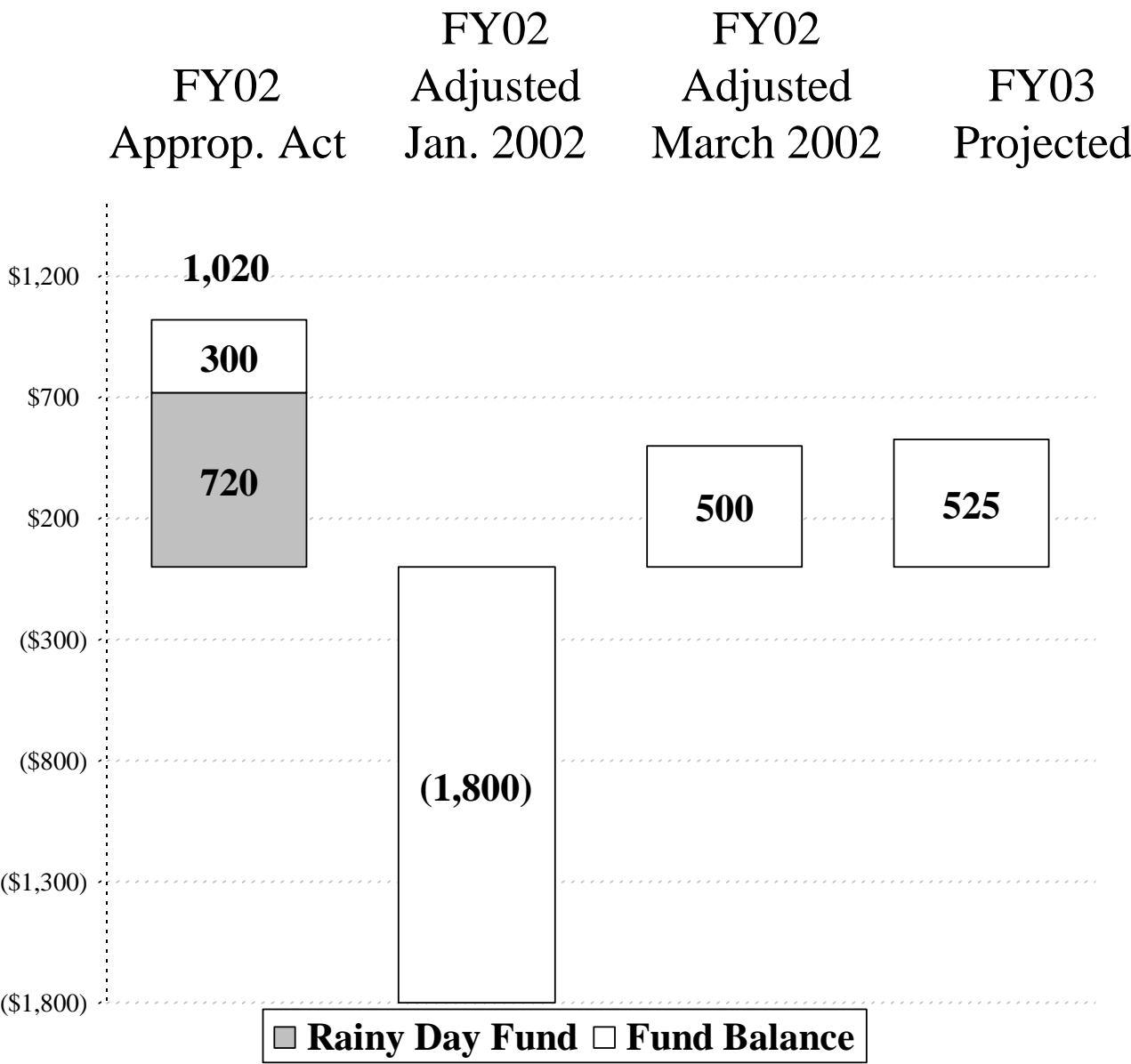
(In Millions)

	FY2002 Adjusted Approp.	FY2002 Actual	FY2003 Budget	\$ Change to Adjusted Approp.
Program Size:				
Bonds	\$ 787.5	\$ 787.5	\$ 731.0	\$ (56.5)
Pay-as-you-go	320.0	320.0	377.0	57.0
Total	<u>\$ 1,107.5</u>	<u>\$ 1,107.5</u>	<u>\$ 1,108.0</u>	<u>\$ 0.5</u>
Funding Sources:				
* Motor Fuels Tax	\$ 405.0	\$ 405.0	\$ 405.0	\$ -
* Petroleum Gross Receipts Tax	200.0	200.0	200.0	-
* Sales Tax	80.0	80.0	140.0	60.0
Toll Road Contributions	24.5	-	-	(24.5)
Subtotal State Appropriation	<u>\$ 709.5</u>	<u>\$ 685.0</u>	<u>\$ 745.0</u>	<u>\$ 35.5</u>
Interest Earnings/Bond Premiums	72.1	72.1	81.0	8.9
Total Sources	<u>\$ 781.6</u>	<u>\$ 757.1</u>	<u>\$ 826.0</u>	<u>\$ 44.4</u>
Uses:				
Existing Debt Service	\$ 409.3	\$ 407.7	\$ 407.7	\$ (1.6)
New Debt Service	52.3	25.3	41.3	(11.0)
Pay-as-you-go	320.0	320.0	377.0	57.0
Carryforward	-	4.1	-	-
Total Uses	<u>\$ 781.6</u>	<u>\$ 757.1</u>	<u>\$ 826.0</u>	<u>\$ 44.4</u>

*Constitutionally dedicated revenue sources

Surplus

(\$ In Millions)



REVENUES & EXPENDITURES

SCHEDULE 1 STATE REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2001 Actual	2002 Estimated	2003 Estimated
Major Taxes			
Sales	5,758,670	5,951,000	6,227,275
Corporation Business	1,389,487	1,112,000	1,854,400
Transfer Inheritance	478,061	518,000	560,000
Motor Fuels	516,413	529,000	528,000
Motor Vehicle Fees	444,281	393,410	451,876
Cigarette	228,404	219,000	412,000
Insurance Premium	309,149	307,000	318,000
Petroleum Products Gross Receipts	215,811	220,000	225,000
Realty Transfer	79,062	86,000	88,000
Alcoholic Beverage Excise	79,889	76,000	76,000
Corporation Banks and Financial Institutions	51,971	67,000	70,000
Tobacco Products Wholesale Sales	14,110	12,000	13,000
Public Utility Excise (Reform)	8,852	8,700	8,700
Savings Institutions	3,860	6,000	5,000
<i>Total Major Taxes</i>	<u>9,578,020</u>	<u>9,505,110</u>	<u>10,837,251</u>
Miscellaneous Taxes, Fees, Revenues			
Executive Branch--			
Department of Agriculture:			
Animal Health - Laboratory Test Fees	86	---	---
Environmental Services	143	---	---
Fertilizer Inspection Fees	214	200	438
Milk Control Licenses and Fees	375	---	124
Miscellaneous Revenue	275	5	4
	<u>1,093</u>	<u>205</u>	<u>566</u>
Department of Banking and Insurance:			
Actuarial Services	55	52	52
Bank Assessments	3,997	3,525	3,525
Banking - Examination Fees	3,156	2,000	2,262
Banking - Licenses and Other Fees	11,117	3,800	4,149
FAIR Act Administration	14,549	14,000	14,000
Insurance - Special Purpose Assessment	13,840	16,294	16,294
Insurance Examination Billings	3,114	1,900	2,000
Insurance Fraud Prevention	32,873	33,686	33,686
Insurance Licenses and Other Fees	18,987	9,420	11,020
Public Adjusters Licenses	43	---	---
Real Estate Commission	7,056	3,650	3,650
	<u>108,787</u>	<u>88,327</u>	<u>90,638</u>
Department of Community Affairs:			
Affordable Housing and Neighborhood Preservation - Fair Housing	43,215	18,678	19,072
Boarding Home Fees	379	368	368
Construction Fees	9,214	6,555	6,893
Fire Safety	19,856	13,795	14,065
New Jersey Meadowlands Development Commission	6,317	---	---
Housing Inspection Fees	6,763	6,913	7,025
Miscellaneous Revenue	99	---	---
Plan Review Additional	2,677	1,758	1,758
Planned Real Estate Development Fees	1,760	828	828
Truth In Renting	133	---	---
Workplace Standards - Licenses, Permits and Fines	1,978	1,138	1,138
	<u>92,391</u>	<u>50,033</u>	<u>51,147</u>
Department of Corrections:			
Miscellaneous Revenue	<u>18</u>	<u>---</u>	<u>---</u>

REVENUES & EXPENDITURES

SCHEDULE 1 STATE REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2001 Actual	2002 Estimated	2003 Estimated
Department of Education:			
Audit Recoveries	1,806	1,250	1,250
Audit of Enrollments	2,661	1,466	1,882
Local School District Loan Recoveries-NJEDA	9,528	9,493	9,372
Miscellaneous Revenue	178	125	125
Nonpublic Schools Handicapped and Auxiliary Recoveries	---	---	5,000
Nonpublic Schools Textbook Recoveries	1,107	700	700
Registered Bond Administration	277	---	---
School Construction Inspection Fees	613	574	574
State Board of Examiners	2,487	2,024	2,100
	<u>18,657</u>	<u>15,632</u>	<u>21,003</u>
Department of Environmental Protection:			
Air Pollution Fees and Fines	13,306	12,810	16,710
Clean Water Enforcement Act	2,465	1,250	1,500
Coastal Area Development Review Act	1,067	920	1,380
Endangered Species Tax Checkoff	287	230	230
Environmental Infrastructure Financing Program-Administrative Fee	---	---	2,250
Excess Diversion	198	240	240
Freshwater Wetlands Fees	2,149	1,800	2,931
Freshwater Wetlands Fines	43	45	45
Hazardous Discharge Site Cleanup	8,533	---	---
Hazardous Waste Fees	853	2,000	2,232
Hazardous Waste Fines	1,430	375	450
Hunters' and Anglers' Licenses	13,340	11,944	12,303
Industrial Site Recovery Act	1,270	1,222	1,500
Laboratory Certification Fees	90	2,120	2,120
Laboratory Certification Fines	---	25	25
Marina Rentals	1,001	840	840
Marine Lands - Preparation and Filing Fees	1,554	200	200
Medical Waste	3,830	3,700	3,700
Miscellaneous Revenue	5	---	---
Natural Resources Fund	135	---	---
New Jersey Pollutant Discharge Elimination System/Stormwater Permits	3,760	21,100	17,700
New Jersey Spill Compensation Fund	4,667	---	---
New Jersey Water Supply Authority Debt Service Repayments	770	770	770
Parks Management Fees and Permits	3,868	4,000	3,870
Parks Management Fines	163	175	165
Pesticide Control Fees	4,256	3,920	3,920
Pesticide Control Fines	37	46	30
Pollution Prevention Fund	633	---	---
Radiation Protection Fees	4,047	3,295	4,171
Radiation Protection Fines	39	35	35
Radon Testers Certification	250	260	275
Recycling Fund	150	---	---
Safe Drinking Water Fund	621	---	---
Shellfish and Marine Fisheries	7	7	7
Solid Waste - Utility Regulation Assessments	2,481	2,500	3,337
Solid Waste - Utility Regulation Fines	200	---	---
Solid Waste Fines - DEP	1,318	850	850
Solid Waste Management Fees - DEP	8,638	6,085	8,141
Solid and Hazardous Waste Disclosure	2,884	3,708	3,708
Spring Meadow Golf Course	355	300	300
Stream Encroachment	1,538	1,400	2,100
Toxic Catastrophe Prevention Fees	1,271	1,200	1,300
Toxic Catastrophe Prevention Fines	69	25	25
Treatment Works Approval	1,151	1,100	1,100
Underground Storage Tanks Fees	1,331	830	750
Water Allocation	1,933	2,200	2,200
Water Supply Fund	58	---	---
Water Supply Management Regulations	1,568	1,600	1,600
Water/Wastewater Operators Licenses	212	215	215
Waterfront Development Fees	1,663	1,250	1,950

REVENUES & EXPENDITURES

SCHEDULE 1 STATE REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2001 Actual	2002 Estimated	2003 Estimated
Well Permits/Well Drillers/Pump Installers Licenses	1,065	1,200	1,200
Wetlands	101	17	27
Worker Community Right to Know - Fees	185	---	---
Worker Community Right to Know - Fines	199	60	60
	<u>103,044</u>	<u>97,869</u>	<u>108,462</u>
Department of Health and Senior Services:			
Admission Charge Hospital Assessment	5,664	6,000	6,000
Animal Control Act	346	300	300
Clinical Laboratory	505	---	---
Consumer Health Penalties	3,233	---	---
HMO Covered Lives	---	---	2,550
Health Care Reform	1,200	1,200	1,200
Licenses, Fines, Permits, Penalties & Fees	3,502	790	790
Miscellaneous Revenue	405	371	371
Pharmaceutical Assistance to the Aged - Recoveries	7,500	---	---
Rabies Control	494	460	460
	<u>22,849</u>	<u>9,121</u>	<u>11,671</u>
Department of Human Services:			
Child Care Licensing/Adoption Law	291	300	300
Commission for the Blind - Miscellaneous	597	---	---
Early Periodic Screening, Diagnosis and Treatment	30,949	32,834	29,850
HMO Recoveries and Rebates - NJ ACCESS	---	264	264
Interim Assistance	347	---	---
Marriage License Fees	1,319	1,309	1,309
Medicaid Uncompensated Care - Acute	213,827	209,766	218,517
Medicaid Uncompensated Care - Mental Health	25,188	27,465	27,465
Medicaid Uncompensated Care - Psychiatric	156,737	168,214	168,214
Medical Assistance - Recoveries	17,859	---	---
Medical Assistance-Federal Match on PAAD/Medicaid Dual Eligibles	748	911	911
Miscellaneous Federal Revenue Initiatives	1,134	828	20,828
Miscellaneous Revenue	12,716	3,727	4,112
Patients' and Residents' Cost Recovery - Developmental Disability	15,121	22,867	17,395
Patients' and Residents' Cost Recovery - Psychiatric Hospitals	29,340	46,704	46,020
Payments for Medical Assistance Recipients - Prescription Drugs	124,109	---	---
Purchased Institutional Care	4,809	2,200	2,200
School Based Medicaid	32,804	34,500	39,000
	<u>667,895</u>	<u>551,889</u>	<u>576,385</u>
Department of Labor:			
Special Compensation Fund	2,127	1,639	1,639
State Disability Benefits Fund	5,752	---	---
Urban Enterprise Zone Administration Cost	55	---	---
Workers' Compensation Assessment	17,102	11,759	11,759
Workforce Development	2,280	---	---
Workplace Standards - Licenses, Permits and Fines	4,645	1,871	1,871
	<u>31,961</u>	<u>15,269</u>	<u>15,269</u>
Department of Law and Public Safety:			
Beverage Licenses	6,456	2,000	1,510
Division of Consumer Affairs			
General Revenues:			
Charities Registration Section	1,398	695	695
Consumer Affairs	2,842	---	---
Controlled Dangerous Substances	907	100	100
Legalized Games of Chance Control	1,273	1,390	1,390
Private Employment Agencies	597	258	258
Weights and Measures - General	3,015	2,612	2,612
Professional Examining Boards:			
New Jersey Cemetery Board	249	120	126
State Board of Architects	871	256	130

REVENUES & EXPENDITURES

SCHEDULE 1 STATE REVENUES (thousands of dollars)

	Fiscal Year Ending June 30		
	2001 Actual	2002 Estimated	2003 Estimated
State Board of Audiology and Speech-Language Pathology Advisory	67	51	66
State Board of Certified Psychoanalysts	---	---	50
State Board of Certified Public Accountants	1,950	611	422
State Board of Chiropractors	449	401	461
State Board of Cosmetology and Hairstyling	5,950	1,942	1,984
State Board of Dentistry	1,060	823	1,521
State Board of Electrical Contractors	1,857	469	420
State Board of Marriage Counselor Examiners	525	204	236
State Board of Master Plumbers	1,196	329	430
State Board of Medical Examiners	14,384	4,019	3,816
State Board of Mortuary Science	227	188	36
State Board of Nursing	8,133	3,933	3,456
State Board of Occupational Therapists and Assistants	462	35	50
State Board of Ophthalmic Dispensers and Ophthalmic Technicians	195	139	61
State Board of Optometrists	788	230	255
State Board of Orthotics and Prosthesis	---	11	15
State Board of Pharmacy	2,820	893	948
State Board of Physical Therapy	320	266	27
State Board of Professional Engineers and Land Surveyors	1,247	759	763
State Board of Professional Planners	86	40	31
State Board of Psychological Examiners	1,200	301	143
State Board of Public Movers and Warehousemen	255	---	---
State Board of Real Estate Appraisers	415	466	611
State Board of Respiratory Care	79	50	119
State Board of Shorthand Reporting	148	69	21
State Board of Social Workers	370	245	570
State Board of Veterinary Medical Examiners	636	191	273
Criminal Disposition	404	---	---
EDA School Construction Recoveries	---	---	7,775
General Client Services	28,119	---	---
Legal Services	18,784	---	---
Miscellaneous Revenue	256	---	---
Pleasure Boat Licenses	2,566	2,500	5,000
Retired Officer Handgun Permit	140	---	---
Safe & Secure Receipts	864	---	---
Securities Enforcement	9,709	5,398	5,398
State Police - Fingerprint Fees	10,793	1,014	1,014
State Police - Other Licenses	200	185	185
State Police - Private Detective Licenses	511	220	220
State Police Recruit Training	93	---	---
Victim and Witness Advocacy Fund	1,166	---	---
Violent Crime Compensation	8,346	3,930	3,930
	<u>144,378</u>	<u>37,343</u>	<u>47,128</u>
Department of Military and Veterans' Affairs:			
Miscellaneous Revenue	1,656	---	---
Soldiers' Homes	23,607	26,421	28,839
	<u>25,263</u>	<u>26,421</u>	<u>28,839</u>
Department of Personnel:			
Examination Fees	345	---	---
Human Resource Development Institute	3,372	---	---
	<u>3,717</u>	<u>---</u>	<u>---</u>
Department of State:			
Miscellaneous Revenue	2	---	---
Department of Transportation:			
Air Safety Fund	962	965	965
Applications and Highway Permits	1,417	1,300	1,300
Auto Body Repair Shop Licensing	699	16	703
Autonomous Transportation Authorities	24,708	24,500	24,500
Digitized Drivers License - DDL	---	---	10,708

REVENUES & EXPENDITURES

SCHEDULE 1 STATE REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2001 Actual	2002 Estimated	2003 Estimated
Drunk Driving Fines	614	650	650
Good Driver	60,327	61,400	61,000
Graduated Driver's License	634	1,067	1,067
Heavy Duty Diesel Fines	667	665	660
Interest on Purchase of Right of Way	298	20	20
Logo Sign Program Fees	508	300	300
Miscellaneous Revenue	6	---	---
Motor Vehicle Database-Automated Access	12,685	20,987	22,527
Motor Vehicle Inspection Fund	73,609	75,300	75,350
Motor Vehicle Security - Responsibility Law Administration	14,039	11,329	11,329
Motor Vehicle Surcharge Program	1,106	---	---
Outdoor Advertising	1,656	740	740
Parking Offenses	---	360	360
Petitions and Motor Carrier Inspections	842	---	---
Photo Licensing	2,520	2,725	3,034
Placarded Railcar	116	---	---
Rental Receipts - Tenant Relocation Program	333	---	---
Salvage Title Program	908	950	975
School Bus Inspection Fee	1,134	---	---
Special Plate Fees	1,178	750	750
Uninsured Motorists Program	3,799	3,400	3,400
	<u>204,765</u>	<u>207,424</u>	<u>220,338</u>
Department of the Treasury:			
Assessments - Cable TV	3,269	3,484	3,789
Assessments - Public Utility	23,313	22,971	24,153
Business Personal Property	16	---	---
Casino Fines	582	---	---
Coin Operated Telephones	5,763	5,274	5,274
Commercial Recording - Expedited	2,482	1,603	1,603
Commissions	1,221	1,000	1,000
Communication Fee - Lottery	476	---	---
Cost Assessment	2,589	---	---
Dormitory Safety Trust Fund - Debt Service Recovery	---	---	5,270
Drug Enforcement Demand Reduction	1,900	---	---
Equipment Leasing Fund - Debt Service Recovery	5,342	431	4,080
Escrow Interest - Construction Accounts	128	22	22
General Revenue - Fees	26,930	25,785	28,485
Higher Education Bond Interest Recoveries	176	221	221
Higher Education Capital Improvement Fund - Debt Service Recovery	1,455	9,403	16,280
Investment Earnings	74,088	---	---
Lease and Leaseback	---	20,000	---
Miscellaneous Revenue	2,989	230	230
NJ Housing and Mortgage Financing Agency	---	2,800	---
New Jersey Health Care Facilities Financing Authority	---	16,500	---
New Jersey Redevelopment Authority	---	18,500	---
Nuclear Emergency Response Assessment	4,386	3,054	3,054
ODS Mediation Fees	197	158	158
Other Resources and Fund Balances	---	38,000	---
Proceeds for New Jersey Police Professional Learning Centers	---	---	5,000
Public Defender Client Receipts	3,636	2,250	2,750
Public Utility - Customer Specific Tax	2,622	2,300	2,300
Public Utility Fines	947	300	300
Public Utility Gross Receipts and Franchise Taxes (Water/Sewer)	70,226	68,400	68,400
Public Utility Tax - Administration	4	2	2
Railroad Tax - Class II	3,146	2,839	2,839
Railroad Tax - Franchise	400	800	800
Rate Payer Advocate	5,021	5,325	5,447
Sale of Real Property	5,552	---	---
State Disability Benefits Fund	22	---	---
Surplus Property	2,963	1,500	944
Tax Audit Services - Uncollected Revenue Recovery	226	---	---
Transitional Energy Facilities Assessment	231,778	225,453	226,241
	<u>483,845</u>	<u>478,605</u>	<u>408,642</u>

REVENUES & EXPENDITURES

SCHEDULE 1 STATE REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2001 Actual	2002 Estimated	2003 Estimated
Other Sources:			
Miscellaneous Revenue	4,461	500	500
Interdepartmental Accounts:			
Administration and Investment of Pension & Health Benefit Funds - Recoveries	47,179	45,500	45,500
County Solid Waste - Debt Service Recovery	---	---	32,842
Employee Maintenance Deductions	300	300	300
Fringe Benefit Recoveries from Colleges and Universities	74,714	76,000	78,000
Fringe Benefit Recoveries from Federal and Other Funds	101,121	105,000	108,000
Fringe Benefit Recoveries from School Districts	23,516	19,100	21,000
Indirect Cost Recoveries - DEP Other Funds	10,437	10,700	11,300
Indirect Cost Recovery - Federal and Other Funds	9,123	---	---
MTF Revenue Fund	40,000	39,552	28,047
Miscellaneous Revenue	1	---	---
Rent of State Building Space	2,154	1,511	1,511
Social Security Recoveries from Federal and Other Funds	43,372	44,500	45,500
Standard Offer Payments - Utilities	928	---	---
	352,845	342,163	372,000
Judicial Branch--			
The Judiciary:			
Civil Arbitration Program	3,902	---	---
Court Fees	56,242	59,071	59,714
Miscellaneous Revenue	351	---	---
	60,495	59,071	59,714
<i>Total Miscellaneous Taxes, Fees, Revenues</i>	<i>2,326,466</i>	<i>1,979,872</i>	<i>2,012,302</i>
Interfund Transfers			
Beaches and Harbor Fund	86	40	40
Clean Communities Account Fund	1,725	725	---
Clean Waters Fund	116	79	66
Correctional Facilities Construction Fund	36	17	16
Correctional Facilities Construction Fund - 1987	604	168	59
Cultural Center and Historic Preservation Fund - 1987	349	145	129
Dam Restoration and Clean Water Fund - 1992	287	---	---
Developmental Disabilities Waiting List Reduction Fund	1,131	570	350
Emergency Flood Control Fund	21	6	6
Energy Conservation Fund	12	---	---
Enterprise Zone Assistance Fund	---	19,909	6,000
Farmland Preservation Fund	5	---	---
Fund for the Support of Free Public Schools	9,248	11,274	4,900
Garden State Farmland Preservation Trust Fund	---	---	1,762
Garden State Green Acres Preservation Trust Fund	---	---	5,092
Garden State Historic Preservation Fund	---	---	502
Hazardous Discharge Site Cleanup Fund	16,269	16,772	8,800
Housing Assistance Fund	158	162	147
Human Services Facilities Construction Fund	48	15	1
Institutional Construction Fund	---	1	---
Institutions Construction Fund	1	1	1
Jobs, Education and Competitiveness Fund	264	124	35
Jobs, Science and Technology Fund	3	2	2
Judiciary Bail Fund	2,010	1,900	1,900
Judiciary Child Support and Paternity Fund	1,769	1,350	1,350
Judiciary Probation Fund	479	450	450
Judiciary Special Civil Fund	145	140	140
Judiciary Superior Court Miscellaneous Fund	257	250	250
Legal Services Trust Fund	10,377	10,276	10,276
Medical Education Facilities Fund	32	15	---
Medical Malpractice Reinsurance Recovery Fund	---	11,100	---
Mortgage Assistance Fund	921	921	911
Motor Vehicle Security Responsibility Fund	10	3	3
NJ Bridge Rehab. and Improvement and R.R. Right-of-Way Preservation Fund	1,730	740	260

REVENUES & EXPENDITURES

SCHEDULE 1 STATE REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2001 Actual	2002 Estimated	2003 Estimated
Natural Resources Fund	308	148	93
New Jersey Bridge Rehabilitation and Improvement Fund	536	141	---
New Jersey Coastal Blue Acres Trust Fund	---	---	250
New Jersey Green Acres Fund - 1983	1,228	636	632
New Jersey Green Acres Fund - 1989	---	---	400
New Jersey Green Acres Fund - 1992	---	---	500
New Jersey Green Trust Fund - 1989	---	---	2,700
New Jersey Inland Blue Acres Fund - 1995	---	---	250
New Jersey Insolvent Health Maintenance Organization	666	422	907
New Jersey Insurance Development Fund	---	46,000	1,290
New Jersey Spill Compensation Fund	13,781	14,092	14,529
Pineland Infrastructure Trust Fund	---	---	600
Pollution Prevention Fund	1,637	2,198	2,269
Public Purpose Buildings Construction Fund	23	5	1
Public Purpose and Community Based Facilities Construction Fund	425	180	100
Resource Recovery and Solid Waste Disposal Facility Fund	178	226	228
Safe Drinking Water Fund	2,043	5,399	2,168
Sanitary Landfill Facility Contingency Fund	139	416	416
School Fund Investment Account	2,634	2,716	2,824
Shore Protection Fund	754	507	459
Solid Waste Services Tax Fund	103	50	50
State Disability Benefit Fund General Account	27,243	109,304	26,304
State Land Acquisition and Development Fund	47	13	10
State Lottery Fund	697,397	747,000	797,000
State Lottery Fund - Administration	15,119	23,777	23,438
State Recreation and Conservation Land Acquisition and Development - 1974	87	44	39
State Recycling Fund	959	959	983
State of New Jersey Cash Management Fund	2,460	2,400	2,400
Statewide Transportation and Bridge Fund - 1999	---	---	1,000
Stock Worker's Compensation Security Fund	---	10,000	---
Stormwater Management and Combined Sewer Overflow Abatement Fund	---	---	500
Supplemental Workforce Fund for Basic Skills	---	---	17,000
Tobacco Settlement Fund	134,319	357,145	1,351,706
Transportation Rehabilitation and Improvement Fund of 1979	16	13	13
UMDNJ Self Insurance Reserve Fund	---	25,000	50,000
Unclaimed Insurance Payments	116	100	100
Unclaimed Personal Property Trust Fund	81,000	198,000	255,000
Unclaimed Utility Deposit	18	55	55
Unemployment Compensation Tax Auxiliary Fund	13,176	12,468	16,386
Unsatisfied Claim and Judgment Fund	2,369	2,408	2,408
Wage and Hour Trust Fund	68	75	75
Wastewater Treatment Fund - 1985	---	---	18,000
Water Conservation Fund	120	52	41
Water Supply Fund	2,760	3,399	4,505
Water Supply Replacement Trust Fund	---	5,500	---
Worker and Community Right to Know Fund	2,337	2,362	2,362
Workforce Development Partnership Fund	39,247	13,753	43,753
<i>Total Interfund Transfers</i>	<i>1,091,406</i>	<i>1,664,118</i>	<i>2,687,192</i>
Total State Revenues General Fund	12,995,892	13,149,100	15,536,745

PROPERTY TAX RELIEF FUND

Gross Income Tax	7,989,222	7,291,000	7,776,971
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CASINO CONTROL FUND

Investment Earnings	467	---	---
License Fees	56,846	64,637	62,737
<i>Total Casino Control Fund</i>	<i>57,313</i>	<i>64,637</i>	<i>62,737</i>

REVENUES & EXPENDITURES

SCHEDULE 1 STATE REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2001 Actual	2002 Estimated	2003 Estimated
CASINO REVENUE FUND			
Boarding House Rental Assistance Fund	200	---	---
Casino Simulcasting Fund	---	2,000	2,000
Gross Revenue Tax	340,695	347,000	357,000
Investment Earnings	1,096	1,000	1,000
PAAD Recoveries	49,821	---	---
<i>Total Casino Revenue Fund</i>	<u>391,812</u>	<u>350,000</u>	<u>360,000</u>
GUBERNATORIAL ELECTIONS FUND			
Taxpayers' Designations	<u>730</u>	<u>1,500</u>	<u>1,500</u>
TOTAL STATE REVENUES	<u>21,434,969</u>	<u>20,856,237</u>	<u>23,737,953</u>

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

-----Fiscal Year Ending June 30-----

2001 2002 2003
Actual Estimated Estimated

Dedicated:

Executive Branch--

Chief Executive:

State Authority Review and Oversight	1,105	1,000	1,000
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Department of Agriculture:

Administration - Development Potential Transfer Bank	64	94	88
Administrative Costs - Farmland Preservation	439	440	440
Agricultural Chemistry	---	---	100
Animal Disease Control	---	86	86
Commodity Distribution	1,545	1,501	1,501
Dairy and Commodity Regulation	---	362	427
Fruit and Vegetable Grading Service	226	160	160
Future Farmers of America - Student Loans from Department of Education	84	70	80
Horse Breeding and Development Fund	437	366	366
Nursery Inspection Program	---	170	170
Plant Pest and Disease Control	---	20	20
Poultry Service	866	892	858
Sire Stakes	4,421	4,150	5,211
Standardbred Breeder Awards	255	250	318
Stormwater Discharge Permit Fees	---	145	145
Miscellaneous	446	276	233
	<u>8,783</u>	<u>8,982</u>	<u>10,203</u>

Department of Banking and Insurance:

Fines Collected by the Insurance Fraud Division	2,480	1,914	1,914
Individual Health Care Program Assessments	5,241	7,500	7,500
Public Adjusters Licensing	---	52	52
Special Fund for the Distribution of Cash Assets	355	790	790
Supervision and Examination of Financial Institutions	---	250	250
Miscellaneous	63	64	64
	<u>8,139</u>	<u>10,570</u>	<u>10,570</u>

Department of Community Affairs:

Boarding Home Rental Assistance Fund	243	368	368
City of Wildwood Rental Assistance Section VIII	710	661	661
Enforcement of Workplace Standards - Receipts	---	961	1,122
Grants to Displaced Homemaker Centers	682	660	667
Health Care Facilities Construction	---	1,186	1,190
Housing Code Enforcement	---	1,796	1,796
Housing Opportunities for Persons with AIDS	607	696	699
Housing Services	791	1,088	---
New Home Warranty Program	3,631	4,316	4,316
New Jersey Meadowlands Commission - Operations	---	3,205	3,070
New Jersey Meadowlands Tax Sharing Stabilization Fund	---	312	299
Paterson Housing Opportunities for Persons with AIDS Program	221	222	222
Prevention of Homelessness	265	243	243
Uniform Construction Code	---	3,439	4,326
Uniform Fire Code	---	5,435	5,676
Union County Rental Assistance Section VIII	585	835	835
Work First New Jersey Housing Assistance Program Escrow Account	147	---	---
Miscellaneous	1,569	---	---
	<u>9,451</u>	<u>25,423</u>	<u>25,490</u>

Department of Corrections:

Administration and Support Services	28,956	22,035	23,813
Miscellaneous	569	429	464
	<u>29,525</u>	<u>22,464</u>	<u>24,277</u>

Department of Education:

Compliance and Auditing	3,082	3,000	3,000
Dodge Foundation Donation - Principal Recognition Program	20	---	---
Facilities Planning and School Building Aid	---	241	241
Marie H Katzenbach School for the Deaf-Tuition-Local Boards	6,798	6,675	7,053
NJ ELITE Grant Program	45	173	125
Professional Development and Licensure	1,489	456	546

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2001 Actual	2002 Estimated	2003 Estimated
Program for Medically Fragile/Behaviorially Difficult Deaf Pupils	570	745	1,057
Rental of Vacant Building Space	451	207	207
Youth Transitions to Work - Programmatic	---	2,661	2,661
Miscellaneous	719	457	191
	<u>13,174</u>	<u>14,615</u>	<u>15,081</u>
Department of Environmental Protection:			
Administrative Costs Water Supply Bond Act of 1981 - Management	---	346	27
Administrative Costs Water Supply Bond Act of 1981 - Planning and Standards	---	459	34
Administrative Costs Water Supply Bond Act of 1981 - Watershed and Aquifer	---	675	49
Battleship New Jersey Memorial Fund	214	171	160
Battleship New Jersey Tax Check-Off	109	100	90
Board of New Jersey Pilot Commissioners	264	200	147
Hunters' and Anglers' License Fund	---	540	407
Drinking Water State Revolving Fund - Capacity Development	380	800	800
Drinking Water State Revolving Fund - Delineation and Assessments	335	816	840
Drinking Water State Revolving Fund - Operator Certification	99	800	800
Drinking Water State Revolving Fund - Program Administration	679	1,000	1,023
Drinking Water State Revolving Fund - Small System Technical Assistance	10	500	500
Drinking Water State Revolving Fund - Source Water Program Administration	109	800	800
Endangered and Nongame Species of Wildlife Fund	213	200	200
Exotic and Nongame Species Inspection Fund	125	187	189
Farley Marina Escrow	235	---	235
Forest Resource Management Special Revenue	224	200	225
Hazardous Discharge Site Cleanup Fund- Responsible Party	---	8,943	9,413
Landscape Irrigation Contractor Certification	142	28	---
Lease Buyout - Vernon Valley / Great Gorge	---	300	350
Liberty State Park License Plates	---	---	5
Mammography Quality Standards Act	252	240	284
Marina Rentals	---	75	---
New Jersey Outdoors	128	150	150
New Jersey Waterfowl Stamp Act	47	192	200
Nuclear Emergency Response	---	888	888
Oil Spill Prevention	---	947	947
Palisades Interstate Park Commission (PIPC) - Court Fund Revenue	---	500	495
Palisades Interstate Park Commission (PIPC) - Gas Station Revenue	---	2,123	2,125
Palisades Interstate Park Commission (PIPC) - Operating Fund Revenue	---	986	990
Parks Management Revolving Fund	1,136	625	625
Pollution Prevention	---	692	781
Publicly-Funded Site Remediation	---	1,718	1,847
Pump Out Facilities	---	150	150
Recycling of Solid Waste	---	365	411
Responsible Party Site Remediation	---	3,139	3,418
Safe Drinking Water Fund	---	1,087	1,177
Sanitary Landfill Facility Contingency Fund - Administration	---	186	186
Shellfish Enforcement	94	125	90
Shellfish Management	126	115	122
Shore Protection Fund Projects	1,050	4,832	1,900
Shore Protection License Plates	1,083	1,000	1,000
Spring Meadow Golf Course	850	850	850
State Public Water System Supervision Program	---	200	900
State Revolving Fund - Administrative Costs	2,249	2,400	2,400
Tidelands Peak Demands	---	1,703	1,773
Underground Storage Tanks	---	487	479
Worker and Community Right to Know Act	---	222	222
Miscellaneous	2,214	631	601
	<u>12,367</u>	<u>43,693</u>	<u>41,305</u>
Department of Health and Senior Services:			
AIDS Drug Distribution Program Rebates	4,963	6,000	6,000
Administrative Overhead - Non State Program	1,211	1,944	1,944
Alcohol Education Rehabilitation and Enforcement Fund	2,620	1,900	3,209
Audit Exception Escrow Account	3	---	---
Certificate of Need Program	692	537	537
Clinical Laboratory Improvement Services	329	375	350
Drug Enforcement Demand Reduction Fund	---	350	---
Emergency Medical Services	---	---	79

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2001 Actual	2002 Estimated	2003 Estimated
First Response EMT Cardiac Training Program	---	---	125
Health Care Cost Reduction Fund	17,760	39,900	38,550
Health Care Planning	5,664	7,200	7,200
IGT Payments	890,000	---	---
Lifeline HMFA Offset	---	25,000	25,000
New York City STD/HIV Prevention Training Centers - Phase II	---	---	110
Office of the Public Guardian	339	550	550
Partnerships for a Drug Free New Jersey	---	700	---
Penn State Family Care Givers	49	---	---
Prostate Cancer Study	---	---	139
WIC Rebates	18,293	22,500	24,000
Miscellaneous	8,069	13,670	14,368
	<u>949,992</u>	<u>120,626</u>	<u>122,161</u>
Department of Human Services:			
Administration and Support Services	41,360	27,749	27,749
Catastrophic Illness in Children Relief Fund	751	1,130	1,130
Children's Trust Fund	279	519	519
Client Co-Payments-Developmental Disabilities	28,265	38,000	38,000
Criminal History Record Checks	207	120	120
Legally Responsible Relatives-Probation-Supplement	1,625	1,308	1,308
Management and Administrative Services	---	475	475
NJ FamilyCare Affordable and Accessible Health Coverage -- Administration	70,000	---	---
NJ KidCare	27,009	38,767	45,236
New Jersey Health Care Hospital Payments	387,421	388,664	466,073
Old Age Survivors Insurance	2,238	2,238	2,238
Patient Care and Health Services	---	43	43
Personal Needs Allowance	---	600	600
SSA Reimbursement to Enhance the Vocational Rehabilitation	184	300	300
Miscellaneous	287	---	---
	<u>559,626</u>	<u>499,913</u>	<u>583,791</u>
Department of Labor:			
Division of Workers Compensation Uninsured Employers	100	---	---
Enforcement of Workplace Standards - Receipts	---	1,100	1,425
Health Care Tax Collection	5,600	5,500	5,500
Private Disability Insurance Plan	---	985	---
Public Works Contractor Registration	---	1,300	575
Realizing Economic Achievement - County Programs	21	---	---
Reimbursement to Unemployment Insurance for Joint Tax Functions	---	2,550	2,550
Special Compensation Fund	131,639	124,750	124,775
State Disability Insurance Plan	---	3,700	3,700
Urban Enterprise Zones - Employer Rebate Awards	174	---	---
Workers' Compensation	---	5,875	5,900
Workforce Development Partnership - Counselors	---	600	610
Workforce Development Partnership Program	---	1,050	1,100
Miscellaneous	24	30	30
	<u>137,558</u>	<u>147,440</u>	<u>146,165</u>
Department of Law and Public Safety:			
Administration and Support Services	---	1,200	1,200
Atlantic County Detention Center	776	1,690	1,690
Backstretch Benevolence	249	210	210
Body Armor Replacement	259	---	---
Charity Racing Day for the Developmentally Disabled	149	100	100
Claims - Victims of Crime	---	3,870	3,870
Commercial Vehicle Enforcement Program	---	7,210	8,090
Commission to Deter Criminal Activity Private Donation	57	---	---
Commissions Award Program	1,236	2,500	2,500
Consumer Affairs Charitable Registrations Program	---	595	595
Consumer Affairs Weights and Measures Program	---	1,163	1,163
Controlled Dangerous Substance Registration Program	---	785	785
Criminal Disposition and Revenue Collection Fund	---	375	375
Criminal Justice	---	771	586
Criminal Justice Cost Recovery	---	520	500
D.O.T./State Police Construction Detail	---	4,030	5,887
Division of Consumer Affairs-Appropriated Receipts	---	5,062	5,062

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2001 Actual	2002 Estimated	2003 Estimated
Election Law Enforcement	---	200	---
Forfeiture Program	1,936	3,900	3,900
Insurance Fraud Operations	29,759	27,627	27,627
Investigative Unit	604	355	526
Law Enforcement Officers Training and Equipment Fund	440	---	---
Medical Examiner Services	5,627	5,777	6,200
Motorcycle Safety Education Fund	305	---	---
New Jersey Emergency Medical Service Helicopter Program	---	4,188	4,224
New Jersey Expressway Authority	3,047	3,675	4,064
New Jersey Parkway Authority	19,795	20,672	23,176
New Jersey Turnpike Authority	20,416	22,305	22,655
Noncriminal Records Checks	---	7,550	7,550
Northeast Hazardous Waste Project-RCRA	478	274	274
Operation of State Professional Boards	---	10,591	10,591
Pari-Mutuel Racing in Accordance with N.J.S.A. 5:5-37	527	570	697
Pre-Race Blood Testing and Chemical Testing Program	2,869	2,800	2,870
Private Employment Agencies-Appropriated Revenue	---	339	339
Racing Officials	1,076	937	1,082
Regulation of Alcoholic Beverages	---	4,645	4,279
Regulation of Racing Activities	1,333	1,746	1,691
Retired Officers Handgun Permits	---	138	138
SFEA Funds	25,751	31,373	31,145
Safe and Secure Neighborhoods Program	7,038	7,100	7,100
Securities Enforcement Fund	---	3,766	3,766
State Athletic Control	180	300	300
State Forensic Laboratory Fund Program	973	800	800
State Police Central Lab Operations	---	721	721
State Police Equine Lab Unit	---	1,243	1,243
State Police Operations	---	2,251	2,251
State Police Recruit Training	---	300	300
State Police Rural Patrol	---	---	11,700
State Police-Private Detective Receipts	---	330	330
State Veterinarians--New Jersey Racing Commission	787	841	653
Victim and Witness Advocacy Fund	---	1,100	1,161
Miscellaneous	2,113	348	348
	<u>127,780</u>	<u>198,843</u>	<u>216,314</u>
Department of Military and Veterans' Affairs:			
Burial Services	---	220	220
New Jersey National Guard Support Services	---	925	925
Transitional Housing	---	310	310
Miscellaneous	35	88	88
	<u>35</u>	<u>1,543</u>	<u>1,543</u>
Department of Personnel:			
Human Resource Development Institute	---	1,405	2,158
Shared Services Pilot Program	---	748	770
State and Local Government Operations	---	1,600	1,450
	<u>---</u>	<u>3,753</u>	<u>4,378</u>
Department of State:			
CableVision Rental	29	---	---
Department of State Bookstore	3	---	---
Extraordinary Programming	268	268	268
Governor's Advisory Council on Volunteerism and Community Service	61	---	---
Historic Preservation License Plate Fund	37	---	---
Historic Trust/Open Space Administrative Costs	---	245	145
Lila Wallace Readers Digest Fund	300	---	---
Monmouth Museum	462	---	---
Museum Services	26	115	115
New Jersey College Loans to Assist State Students (NJCLASS)	3,357	2,252	2,732
New Jersey Workforce Development Coalition Initiative	2,700	---	---
Public Broadcasting Services	6,361	5,679	5,679
Receipts Derived From the Leasing of Space on Transmitter Towers	943	941	941

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2001 Actual	2002 Estimated	2003 Estimated
Receipts Derived From the Rental of Studio and Production Facilities	1,326	1,600	1,600
Receipts Derived From the Sale or Rental of NJPTV Productions	105	59	59
TV Food Network/Time Warner Capital Project	531	---	---
The Primary Care Physician/Dentist Loan Redemption Program	1,000	1,000	1,000
Miscellaneous	541	320	320
	<u>18,050</u>	<u>12,479</u>	<u>12,859</u>
Department of Transportation:			
Applications and Highway Permits	---	283	283
Commercial Vehicle Enforcement Program	16,028	13,640	13,640
Cost of "Cause" Plates	297	---	---
County and Other Shared Projects	17,221	---	---
Enhanced Surcharge Collection	2,000	1,500	1,500
Greenwood Lake Airport	101	---	---
In-Terminal School Bus Inspection Program	---	1,131	1,906
Joint Dredging Plan	3,500	---	---
Motor Vehicle Inspection Fund	657	686	602
NJ Medical Service Helicopter Response Act	6,811	---	---
Outdoor Advertising Program	---	919	919
Placarded Railcar Program	---	71	71
Rental Receipts	---	327	327
Surcharge Litigation - Lawyers and Collection Firms	---	681	681
	<u>46,615</u>	<u>19,238</u>	<u>19,929</u>
Department of the Treasury:			
Annual Licensing Fee--Office of Administrative Law Publications	862	860	860
Bayshore Development	---	80	80
Capital City Redevelopment Corporation	203	328	328
Division of Developmental Disabilities Community Placement and Services	24,353	---	---
Economic Recovery Fund	14,032	15,819	17,603
Energy Management Workbook for New Jersey Industry	21	---	---
Energy Tax Receipts	750,000	755,000	755,000
Federal Recoveries	---	8,700	8,700
Governor's Council on Alcoholism and Drug Abuse	12,526	12,700	12,700
Healthcare	---	650	650
Judicial Hearings Receipts	2,145	2,000	2,000
Other Capital Building Services	2,940	2,300	2,300
Other Distributed Taxes	2,625	3,264	3,264
Property Management and Construction - Property Management Services	203	165	165
Public Finance Activities	---	700	700
Residential Warranty Corporation	131	158	158
Royalties--Office of Administrative Law Publications	143	67	67
Selective Assistance Vendor Information II System	---	160	160
Soil Program Receipts	---	500	---
Third Party Subrogation For Property Damage	---	300	300
Unclaimed Property Trust Fund	4,132	5,406	5,406
Unemployment Insurance	---	2,108	2,108
Urban Enterprise Zone (UEZ) Authority (P.L. 1993,C.367) Administrative Expenses ..	1,578	2,231	1,908
Urban Programs	---	450	450
Vendor Surcharge Collection - DMV	9,200	9,200	9,200
Wage Reporting/Temporary Disability Insurance	---	279	279
Workforce Development	---	57	57
Miscellaneous	793	364	322
	<u>825,887</u>	<u>823,846</u>	<u>824,765</u>
Judicial Branch--			
The Judiciary:			
Automated Traffic System for Municipal Courts	8,844	8,400	8,400
Civil Courts	398	468	468
Comprehensive Enforcement Program	1,168	1,882	1,882
Court Adult Probation System	414	425	425
Electronic Access To Court Records	531	400	400
Family Courts	334	330	330

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2001 Actual	2002 Estimated	2003 Estimated
Information Services	240	256	256
Supreme Court	9,211	10,821	10,821
Miscellaneous	513	67	67
	<u>21,653</u>	<u>23,049</u>	<u>23,049</u>
<i>Total Dedicated</i>	<i>2,769,740</i>	<i>1,977,477</i>	<i>2,082,880</i>

Federal:

Executive Branch--

Department of Agriculture:

Child Nutrition - Administration	2,891	3,351	3,278
Child Nutrition - Child Care	32,502	47,559	39,920
Child Nutrition - School Lunch	117,729	145,395	145,000
Child Nutrition - Special Milk	873	1,519	1,500
Child Nutrition - Summer Programs	6,466	9,754	8,662
Cooperative Gypsy Moth Suppression	153	480	610
Farm Risk Management Education Program	---	325	325
Farmland Preservation	1,400	183	552
Federal Organic Certification Cost Share Program	---	35	---
Fish Inspection Services	111	140	100
Foot and Mouth Disease Plan	---	50	50
Jobs Bill	1,369	1,300	1,300
School Breakfast	17,464	24,957	28,000
Specialty Crop Grant Program	---	1,600	1,600
Team Nutrition Training	---	225	225
Various Federal Programs and Accruals	12,570	646	529
	<u>193,528</u>	<u>237,519</u>	<u>231,651</u>

Department of Community Affairs:

CSBG Training and Technical Assistance Capacity Building Program	20	---	---
Community Services Block Grant	12,786	16,339	17,839
Domestic Violence Fatality Review Board	---	75	75
Emergency Shelter Grants Program	1,319	1,480	1,467
HOPE for Elderly Independence Demonstration Program	491	---	---
Lead-Based Paint Abatement in Low and Moderate Income Housing	1,695	---	---
Moderate Rehabilitation Housing Assistance	10,365	11,212	9,565
National Affordable Housing-HOME Investment Partnerships	9,427	7,450	7,357
National Fire Academy Training Program	---	30	30
Section 8 Existing Housing Rental Assistance	30,912	---	---
Section 8 Housing Voucher Program	98,838	133,510	137,557
Shelter Plus Care Program	215	602	302
Small Cities Block Grant Program	8,697	11,000	10,081
Supplemental Assistance for Facilities to Assist the Homeless	337	---	---
Transitional Housing - Homeless	198	---	---
Weatherization Assistance Program	3,285	4,125	5,167
Various Federal Programs and Accruals	11,980	161	161
	<u>190,565</u>	<u>185,984</u>	<u>189,601</u>

Department of Corrections:

Project In-Side	543	---	482
State Criminal Alien Assistance Program	12,932	11,855	11,855
Various Federal Programs and Accruals	353	---	16
	<u>13,828</u>	<u>11,855</u>	<u>12,353</u>

Department of Education:

AIDS Prevention Education	350	862	862
Adult Basic Education - Administration/Discretionary	11,061	17,021	17,096
Americorps - America Reads Awards	---	389	389
Bilingual and Compensatory Education - Homeless Children and Youth	522	867	867
Byrd Scholarship Program	1,043	1,136	1,136
Character Education Partnership	225	---	---
Christa McAuliffe Fellowship Program	47	45	45
Class Size Reduction	22,439	37,081	---
Deaf/Blind Children Services - Administration/Discretionary	243	292	292
Drug-Free Schools and Communities - Administration	6,854	11,360	8,360

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2001 Actual	2002 Estimated	2003 Estimated
EESA, Title II - Math/Science Training, Exemplary	5,394	10,105	454
Educational Technology	---	19,515	19,515
Eisenhower Math/Science Grant - Critical Skills	1,239	1,696	---
Emergency Immigrants Education Assistance - Administration	5,549	5,618	83
Even Start Family Literacy Grant - Discretionary	2,208	5,439	5,439
Goals 2000 - Technology	16,850	---	---
IASA Consolidated Administration	3,411	3,688	3,780
IDEA - Handicapped	137,894	209,087	245,021
IDEA - Preschool Incentive Grant	10,857	12,039	12,039
Innovative Education, Title VI - Discretionary	7,941	10,676	10,676
Language Acquisition State Grants	---	---	12,174
Migrant Education - Administration/Discretionary	1,420	2,043	2,043
National Community Service - Learn and Serve America	557	691	691
National Community Services - Disability Funds	160	192	192
National Community Services - Urban School Services Corp	3,484	6,981	6,981
National Community Services -State Commission	388	363	363
Public Charter Schools	2,169	2,805	2,805
Reading Excellence	---	1,100	1,100
Safe & Drug-Free Schools	2,634	2,090	2,090
School Renovation Grants	---	23,445	---
School to Work Opportunities	3,319	---	---
School to Work Supplemental Transition Grant	561	---	---
State Assessments	---	---	8,895
State Grants for Improving Teacher Quality	---	---	65,262
State Improvement Grant, Administration	---	1,200	1,200
Technology Literacy Challenge Fund	6,322	9,481	9,481
Title I - Accountability Grants	---	5,856	5,856
Title I - Administration Program Improvement	1,808	1,284	1,284
Title I - Comprehensive School Reform	4,672	6,153	6,153
Title I - LEA Disadvantaged	129,364	205,401	246,863
Title I - Part D, Neglected and Delinquent	2,093	1,642	1,868
Title I - Reading First State Grant	---	---	18,427
Vocational Education - Basic Grants, Administration	27,382	22,929	22,991
Vocational Education Technical Preparation	2,370	2,201	2,201
Various Federal Programs and Accruals	26,349	1,748	1,550
	<u>449,179</u>	<u>644,521</u>	<u>746,524</u>
Department of Environmental Protection:			
Air Pollution Maintenance Program	4,419	6,319	6,319
Americorps	---	300	300
Appalachian Trail Improvement (ISTEA)	---	50	50
Appalachian Trail Viewshed Acquisition (ISTEA)	---	500	500
Archaeological & History/GIS Inventory (ISTEA)	---	500	500
Artificial Reef Program-PSE&G/NJPDES Permit Fees	133	1,125	325
Atlantic Coastal Cooperative Program	---	100	150
Boat Access (Fish and Game)	---	1,000	1,000
Cape May Point State Park Bikeway (ISTEA)	---	200	200
Clean Lakes Program	---	500	500
Clean Vessels	821	1,000	1,000
Climate Change Action Plan (Recycling of Landfill Gases)	33	100	100
Coastal Zone Management - Federal Grant	---	---	1,000
Coastal Zone Management Implementation	4,275	4,950	4,960
Community Assistance Program	---	200	200
Conashank Point	---	215	215
Consolidated Forest Management	12	926	926
Construction Grants Program	77	57,600	57,600
Delaware & Raritan Canal Route 1 Crossing (ISTEA)	---	825	1,575
Delaware & Raritan Canal State Park Old Rose to Mulberry St. (ISTEA)	---	250	---
Delaware & Raritan Canal State Park/Bordentown Outlet (ISTEA)	---	820	1,250
Delaware and Raritan Canal East Side Path (ISTEA)	---	565	565
Endangered Species	11	60	70
Environmental Justice	33	100	100
Estuary Program	493	1,490	---
FEMA December 1992 Storm Damage	22	---	---
Fish and Wildlife Health	56	140	140
Forest Legacy	---	5,010	8,010
Forest Resource Management-Cooperative Forest Fire Control	---	250	425

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2001 Actual	2002 Estimated	2003 Estimated
Forest Watershed Clean Water Action	---	120	---
Good Luck Point Land Acquisition	---	480	480
Hazardous Waste - Resource Conservation Recovery Act	3,557	4,281	4,281
Historic Preservation Survey & Planning	1,113	2,000	2,000
Hunters' and Anglers' License Fund	2,535	7,810	8,420
Land and Water Conservation Fund	---	5,000	5,000
Liberty State Park Archival Facility (ISTEA)	---	660	---
Liberty State Park Ferry Slip Restoration (ISTEA)	---	1,000	1,600
Liberty State Park Train Sheds-Structural Report (ISTEA)	---	350	500
Marine Fisheries Investigation and Management	1,146	1,150	1,150
Maurice River II	975	---	---
Minority/Women's Business Enterprise Conference	9	---	---
Monitoring Enhancement in New Jersey Waters for Nutrients	50	---	---
Multi-Media	544	750	750
Multi-Media Enforcement Grant	---	1,000	1,000
National Coastal Wetlands Conservation	7	2,000	2,000
National Dam Safety Program (FEMA)	31	90	90
National Geologic Mapping Program	111	140	160
National Industrial Competitiveness Through Energy Environment Economics(NICE3)	280	---	---
National Pollutant Discharge Elimination System Implementation Support Program	504	900	600
National Recreational Trails	---	1,250	1,250
Non-Point Source Implementation (319H)	2,731	2,000	2,400
Non-Point Source Implementation (319H) Supplemental	---	2,000	2,000
North Wildwood Boat Ramp Improvements	209	---	---
Particulate Monitoring Grant	---	1,500	1,500
Paulinskill Valley Trail Improvements (ISTEA)	---	550	605
Pesticide Recording Program	---	---	20
Pesticide Technology	480	750	730
Pinelands Grant - Acquisition	---	6,000	6,000
Pollution Prevention Incentive	3	100	100
Preliminary Assessments/Site Inspections	2,678	3,500	4,000
Radon Program	492	500	500
Safe Drinking Water Act	1,901	22,200	22,200
Seashore Line	---	500	500
Sloop/Maple Creek Acquisition	---	350	350
State Wetlands Conservation Plan	55	492	492
State/EPA Data Management Grant	69	750	750
Status, Trends and Population Genetics of Horseshoe Crabs	24	---	---
Stout's Creek Land Acquisition	---	750	750
Strathmere Parcels	---	565	565
Superfund Grants	2,985	30,450	30,450
Sussex Branch Trail Improvements	---	575	575
Toxic Substance Compliance	---	50	50
Underground Storage Tank - Compliance Inspection Program	25	50	---
Underground Storage Tanks	191	1,855	2,055
Voluntary Cleanup - Site Specific	51	200	350
Voluntary Cleanup Program	---	400	500
Water Monitoring and Planning	741	1,000	1,000
Water Pollution Control Program	---	3,850	4,250
Various Federal Programs and Accruals	2,754	1,105	1,259
	<u>36,636</u>	<u>196,118</u>	<u>201,212</u>
Department of Health and Senior Services:			
AIDS Incarcerated Individuals in Corrections	440	1,231	1,231
Abstinence Education - FHS	788	843	843
Alternate Family Care	---	---	1,000
Assisted Living Program	---	---	1,000
Assisted Living Residence	---	---	7,235
Asthma Surveillance and Coalition Building	50	200	200
Census of Fatal Occupational Injuries BLS	16,117	---	---
Center For Birth Defects Research & Prevention	595	1,600	1,600
Childhood Lead Poisoning	745	1,100	1,045
Clinical Laboratory Improvement Amendments Program	423	500	505
Comprehensive AIDS Resources Grant	30,800	55,000	55,000
Comprehensive Breast and Cervical Cancer	2,400	3,200	3,200
Comprehensive Personal Care Home	---	---	4,738
Comprehensive State Based Tobacco Use Prevention Programs	1,025	1,300	1,300

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2001 Actual	2002 Estimated	2003 Estimated
Demonstration Program to Conduct Health Assessments	1,072	1,050	750
Design & Validation - Silica Exposure Study	---	150	150
Disaster Assistance	30	---	---
EBT Infrastructure (EDS) Special Grant	48	---	---
Early Hearing Detection and Intervention (EHDI) Tracking, Research	---	100	334
Early Intervention for Infants & Toddlers with Disabilities (Part H)	7,577	11,000	11,000
Emergency Preparedness For Bioterrorism	---	26,874	---
Endometrial Cancer Study	---	100	---
Essex County Healthy Start Initiative	301	1,500	50
Evaluating Client-Centered HIV Prevention Counseling	950	1,162	1,205
Evaluation of Lead Dust Study	---	250	250
Family Planning Program-Title X	2,966	3,500	3,500
Federal Lead Abatement Program	391	300	330
Food Inspection	231	290	290
Geographic Research Project	---	450	289
HIV/AIDS Prevention and Education Grant	10,602	16,000	16,352
HIV/AIDS Surveillance Grant	3,939	5,593	6,586
Housing Opportunities For Persons With AIDS	2,155	3,405	3,953
Immunization Project	3,883	6,230	7,322
Lyme Disease Research	151	360	491
Maternal and Child Health Block Grant	10,938	12,700	16,700
Medicare Beneficiaries' Information and Referral thru Admin. on Aging	34	---	---
Medicare/Medicaid Inspections of Nursing Facilities	3,022	9,831	10,031
Memorandum of Agreement with Emery University-National Down Syndrome Study	---	---	149
Minority AIDS Demo	130	150	150
Morbidity & Mortality Review Program	---	150	150
NJ Targeted Seabrook Capacity Expansion Program	790	---	---
National Council on Aging - Senior Employment Services Project	1,061	---	---
National Family Caregiver Program	---	3,500	3,750
National Program of Cancer Registries	1,480	1,800	1,800
Nurse Aide Certification Program	---	400	625
Older Americans Act - Title III	16,628	33,928	33,978
Pediatric AIDS Health Care Demonstration Project	1,757	2,500	2,850
Perform Assess of OPIOD Treatment Prg	---	100	---
Pharmaceutical Assistance to the Aged and Disabled - Federal Waiver	---	---	147,808
Pregnancy Risk Assessment Monitoring System	---	750	750
Preparedness and Response for Bioterrorism	---	379	250
Preventative Health and Health Services Block Grant	3,469	5,965	5,431
Public Employees Occupational Safety & Health - State Plan	---	---	900
Public Health Laboratory Biomonitoring Planning	---	182	---
Research on Ecology of Lyme Disease in US	---	82	85
Senior Farmers Market Nutrition Program	32	420	420
State Regulation on Immunization Rates of Older Adults	---	160	160
Substance Abuse Block Grant	44,936	46,402	56,286
Supplemental Food Program-W.I.C.	68,371	90,000	90,000
Surveillance, Epidemiology and End Results (SEER)	---	1,800	1,800
Testicular Cancer Study	---	100	---
Tools For School Implementation Project	---	60	60
Tuberculosis Control Program	5,022	8,200	15,496
USDA Older Americans Act - Title III	1,475	3,900	3,900
Venereal Disease Project	2,789	3,200	3,565
Vital Statistics Component	536	850	850
WIC Farmer's Market Nutrition Program	394	500	600
West Nile Virus - Laboratory	---	---	264
West Nile Virus - Public Health	---	---	2,973
World Trade Center Substance Prevention - Response Emergency Disaster	---	400	---
World Trade Center Substance Prevention II	---	378	---
World Trade Center Substance Treatment - Response Emergency Disaster	---	600	---
World Trade Center Substance Treatment II	---	1,022	---
Various Federal Programs and Accruals	3,317	9,567	11,499
	<u>253,860</u>	<u>383,264</u>	<u>545,029</u>
Department of Human Services:			
Block Grant Mental Health Services	8,964	12,113	12,113
Child Care Block Grant	71,837	118,680	106,976
Child Support Enforcement Program	94,443	115,587	117,529
Community Based Residential Program Grant	605	1,000	1,000

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2001 Actual	2002 Estimated	2003 Estimated
Developmental Disabilities Council	1,374	1,577	1,577
Federal Independent Living	652	892	892
Food Stamp Program	64,472	76,122	74,864
Foster Grandparents Program	985	1,043	1,051
Low Income Energy Assistance Block Grant	85,147	56,634	56,846
Projects for Assistance in Transition from Homelessness (PATH)	1,169	1,285	1,285
Refugee Resettlement Program	9,429	5,556	5,556
Restricted Grant	7,704	10,053	10,053
Social Service Block Grant	55,109	51,405	51,430
Temporary Assistance to Needy Families Block Grant	289,023	488,104	526,035
Title IV-B Child Welfare Services	7,635	5,700	10,385
Title IV-E Foster Care	83,895	92,301	103,520
Title XIX - Child Residential	31,719	42,406	29,774
Title XIX Community Care Waiver	156,678	201,519	222,534
Title XIX ICF/MR	225,417	186,019	199,044
Title XIX Medical Assistance	2,711,144	3,186,006	2,909,058
Title XX Urban Empowerment Zone	2,428	---	---
Title XXI Childrens Health Insurance Program	27,994	123,272	238,392
Vocational Rehabilitation Act Section 120	9,218	9,520	9,520
Various Federal Programs and Accruals	186,544	3,633	3,633
	<u>4,133,585</u>	<u>4,790,427</u>	<u>4,693,067</u>
Department of Labor:			
At Risk Youth Mentoring Program	224	---	---
Comprehensive Services for Independent Living	429	700	700
Current Employment Statistics	1,727	2,491	2,752
Disability Determination Services	38,908	42,500	43,000
Disabled Veterans' Outreach Program	2,005	2,355	2,300
Employment Services	23,260	24,232	24,131
Employment Services - One Stop Shopping	153	---	325
Employment Services Cost Reimbursable Grants - Migrant Housing	15	50	50
Employment Services Grants-Alien Labor Certification	2,165	2,329	2,319
Federal Public Employees Occupational Safety and Health Act	150	1,800	1,850
Federal State Cooperative Program Population Estimate	21	---	---
Local Veterans' Employment Representatives	1,305	1,500	1,500
National Council on Aging - Senior Community Services Employment Project	2,306	3,000	3,000
OASI (DDS) Intelligent Workstation Activities	---	1,000	1,000
OSHA Data Collection Survey	52	78	81
Occupational Informational Coordinating Program	140	149	159
Occupational Safety Health Act, On-Site Consultation	1,650	1,910	2,000
Occupational Wage Survey - Labor Market Information	297	---	---
Occupational Wage Survey-Alien Certification	129	---	---
One Stop Labor Market Information	660	822	988
Outreach Mine Safety and Health Training	15	---	---
Redesigned Occupational Safety and Health (ROSH)	179	410	231
Reed Act Funds	4,269	---	---
Rehabilitation of Supplemental Security Income Beneficiaries	763	2,000	2,000
Supported Employment	998	1,200	1,200
Technical Assistance Training	484	1,700	1,700
Technology Related Assistance Project	664	700	700
Trade Adjustment Assistance Project	3,989	8,865	7,000
Unemployment Insurance	80,065	95,568	97,271
Vocational Rehabilitation Act of 1973	33,439	43,580	44,000
WIA Title IIID Discretionary Funding	2,832	15,000	15,000
Welfare to Work	9,293	---	---
Work Opportunity Tax Credit	495	725	725
Workforce Investment Act	48,244	66,133	71,000
Workforce Investment Act-Title III Dislocated Workers	11,502	20,242	22,000
Various Federal Programs and Accruals	18,395	145	145
	<u>291,222</u>	<u>341,184</u>	<u>349,127</u>

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2001 Actual	2002 Estimated	2003 Estimated
Department of Law and Public Safety:			
Atlantic County-Disaster Flooding	176	---	---
Attorney Advocacy Institute	---	500	500
Bulletproof Vest Partnership	196	400	400
COPS MORE 2002	---	400	---
COPS MORE Grant	1,083	---	---
COPS TECH 2001 HI Technology Initiative	---	152	152
COPS Universal Hiring Grant	973	---	---
Challenge Grant	222	221	300
Checkpoints	---	145	---
Child Passenger Protection Education	---	200	250
Combat Underage Drinking - Discretionary	388	400	400
Combating Underage Drinking	698	360	360
Commercial Vehicle Inspection/Bus Inspection Garden State Parkway	---	2,300	2,300
Community Prosecutors Block Grant	---	1,000	1,000
Computer Crime Grant Program	---	250	250
County Prosecutors Assistance Megan's Law Implementation	---	1,300	1,300
Criminal Justice Information System Master Plan Study	---	350	350
Digitized Mugshot Identification System	---	2,200	2,200
Disaster Relief	10,808	---	---
Distance Learning Law Enforcement Training Initiative	---	1,500	1,500
Domestic Marijuana Eradication Suppression Program	280	280	280
Domestic Preparedness Training	---	2,300	2,300
Drug Enforcement Administration and Grants	18,439	14,000	14,000
Drunk Driver Prevention	160	454	1,000
EMPG - Non-Terrorism	2,981	3,601	3,540
EMPG - Terrorism	399	1,000	1,000
Equal Employment Opportunity Commission	537	630	630
FIFIS Live Scan	---	210	210
Flood Mitigation Assistance	---	2,000	2,000
Forensic Crime Information Technology Center	---	4,000	4,000
Forensic Crime Laboratory Improvement Program	---	2,500	2,500
Forensic DNA Testing Program	118	300	300
Hazardous Materials Transportation	---	350	350
High Intensity Drug Trafficking Area (HIDTA)	107	250	250
Incident Command	---	750	750
Innovative Seat Belt Use	565	800	900
Internet Crime Command Center	---	2,500	2,500
Juvenile Accountability Incentive Block Grant	6,320	5,900	5,900
Juvenile Justice Delinquency Prevention	1,106	2,372	2,434
Law Enforcement Training Academy	---	12,000	12,000
Local Law Enforcement Block Grant	1,251	1,400	1,400
Medicaid Fraud Unit	2,020	2,550	2,550
National Criminal History Program-OAG	---	1,500	1,500
National Highway Traffic Safety Act - Section 405	239	271	500
National Highway Traffic Safety Act - Section 411	---	25	125
National Highway Traffic Safety Act - Section 402	3,313	4,887	5,329
North East Storm (DSR 973)	4,152	---	---
North Jersey Flooding in 1996	235	---	---
Northeast Hazardous Waste Project-RCRA	150	250	250
Police Integrity Program	---	250	250
Police Sentry Initiative	---	250	250
Project 2001	---	53	---
Project Impact	50	---	---
Recreational Boating Safety	1,936	2,000	2,000
Residential Treatment for Substance Abuse	1,070	1,600	1,600
Safety Incentive Grants	846	450	3,200
State Police In-Car Camera Technology Grant	523	---	---
State Police Street Gang Initiative	---	2,500	2,500
State Police Training DOT	---	27	---
State and Local Assistance	758	---	---
Statewide Emergency Service Program	130	---	---
Sussex/Morris Federal Disaster Declaration - 1337DR	2,253	---	---
Title III/Hazardous Materials	5	---	---
Title V Funding	843	1,100	1,100
Truth In Sentencing Incentive Grant	---	13,000	13,000
USS New Jersey Law Enforcement Facility	---	5,000	5,000
Victim Assistance Grants	6,842	12,000	12,000

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2001 Actual	2002 Estimated	2003 Estimated
Victim Compensation Award	1,754	1,800	1,800
Violence Against Women Act	1,600	4,000	4,000
West Nile Virus - 3156EM	2,390	---	---
Various Federal Programs and Accruals	7,342	1,203	1,085
	<u>85,258</u>	<u>123,991</u>	<u>127,545</u>
Department of Military and Veterans' Affairs:			
Armory Renovations and Improvements	751	1,600	1,600
Army Facilities Service Contracts	838	1,800	3,200
Army National Guard Statewide Security Agreement	374	800	1,300
Army Training and Technology Lab	247	600	600
Atlantic City Air Base - Service Contracts	1,618	2,307	2,880
Atlantic City Operations and Maintenance	37	65	67
Cemetery New Construction	---	4,700	5,300
Combined Logistics Facility	---	24,400	22,000
Distance Learning Center Funding	7	---	---
Design and Construction of the Vineland Memorial Veterans' Home	---	7,094	3,953
Facilities Support Contract	3,422	5,200	6,200
Federal VA Distance Learning Program	---	500	500
Fire Fighter/Crash Rescue Service Cooperative Funding Agreement	646	1,150	1,300
Hazardous Waste Environmental Protection Program	459	800	800
McGuire Air Force Base - Service Contracts	1,248	1,870	2,300
McGuire Operations and Maintenance	46	73	76
Medicare Part A Receipts for Resident Care and Operational Costs	3,200	2,765	2,765
Memorial Walkway	108	---	---
Menlo Adult Day Care Funds	---	690	690
Menlo Park Construction	734	---	---
National Guard Communications Agreement	506	1,100	1,350
New Jersey National Guard Challenge Youth Program	1,393	1,996	2,100
New Jersey National Guard Counter Drug Program Interservice State-Federal	3	12	12
Reeflex Environmental Program	14	672	---
Rehabilitation to the Sea Girt Firing Range	287	---	---
Training and Equipment - Pool Sites	344	750	600
Transitional Housing	1,234	800	800
Veterans' Education Monitoring	452	651	651
Various Federal Programs and Accruals	1,086	64	57
	<u>19,054</u>	<u>62,459</u>	<u>61,101</u>
Department of State:			
Basic Block Grant	---	111	111
Leveraging Educational Assistance Partnership	1,109	1,441	1,618
NJ GEAR UP	1,152	1,978	1,978
National Endowment for the Arts Partnership	147	632	632
National Health Service Corps - Student Loan Repayment Program	74	158	240
National Telecommunications Information Agency	596	1,250	1,250
Student Loan Administrative Cost Deduction and Allowance	28,189	16,675	17,675
Various Federal Programs and Accruals	2,166	315	315
	<u>33,433</u>	<u>22,560</u>	<u>23,819</u>
Department of Transportation:			
Airport Fund	4	25,000	25,000
Federal Funds	61	---	---
Federal Grant Funding	78	---	---
Federal Grant Funding	25	---	---
Federal Grant Funding	572	---	---
Federal Grant Funding	165	---	---
Highway Planning and Research	11,570	14,835	17,465
Motor Carrier Enforcement Grant	123	---	---
Metropolitan Planning Funds	8,195	8,125	12,000
Motor Carrier Safety Assistance Program	497	7,300	7,308
New Jersey Transportation Planning Assistance	114	3,000	3,000
Rail Freight Capital Projects	---	2,000	2,000
Supportive Services Highway Construction Training Program	---	500	500
Various Federal Programs and Accruals	6,119	---	---
	<u>27,523</u>	<u>60,760</u>	<u>67,273</u>

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2001 Actual	2002 Estimated	2003 Estimated
Department of the Treasury:			
Diamond Shamrock Oil Overcharge Settlement	---	500	500
Division of Gas Expansion	317	600	600
State Energy Conservation Program	1,668	1,525	1,525
Various Federal Programs and Accruals	122	---	---
	<u>2,107</u>	<u>2,625</u>	<u>2,625</u>
Judicial Branch--			
The Judiciary:			
Drug Court - OJP - Direct	532	100	100
Drug Court Implementation-Camden	147	---	---
Various Federal Programs and Accruals	828	833	833
	<u>1,507</u>	<u>933</u>	<u>933</u>
<i>Total Federal</i>	<u>5,731,285</u>	<u>7,064,200</u>	<u>7,565,074</u>
Revolving:			
Legislative Branch--			
Legislature:			
Legislative Support Services	1	---	---
Various Revolving Funds	30	---	---
	<u>31</u>	<u>---</u>	<u>---</u>
Executive Branch--			
Department of Community Affairs:			
Administration and Support Services	464	---	---
Housing Services	---	3,050	3,000
Uniform Construction Code	7,650	6,800	6,800
Various Revolving Funds	114	14	---
	<u>8,228</u>	<u>9,864</u>	<u>9,800</u>
Department of Corrections:			
Farm Operations	8,960	10,380	10,030
Institutional Care and Treatment	575	828	648
State Use	17,846	16,879	16,879
	<u>27,381</u>	<u>28,087</u>	<u>27,557</u>
Department of Education:			
Administration and Support Services	3,319	3,587	3,344
Adult and Continuing Education	379	423	478
Professional Development and Licensure	117	199	199
	<u>3,815</u>	<u>4,209</u>	<u>4,021</u>
Department of Environmental Protection:			
Administration and Support Services	119	120	120
Publicly-Funded Site Remediation	787	---	---
	<u>906</u>	<u>120</u>	<u>120</u>
Department of Health and Senior Services:			
Administration and Support Services	4,977	2,570	2,570
Laboratory Services	7,953	7,500	7,800
	<u>12,930</u>	<u>10,070</u>	<u>10,370</u>
Department of Human Services:			
Administration and Support Services	1,534	2,117	2,117
Income Maintenance Management	7,105	7,174	7,174
	<u>8,639</u>	<u>9,291</u>	<u>9,291</u>
Department of Labor:			
Administration and Support Services	1,347	---	---
Planning and Analysis	86	---	---
	<u>1,433</u>	<u>---</u>	<u>---</u>

REVENUES & EXPENDITURES

SCHEDULE 2 OTHER REVENUES (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2001 Actual	2002 Estimated	2003 Estimated
Department of Law and Public Safety:			
Criminal Justice	389	---	---
State Police Operations	288	553	553
	<u>677</u>	<u>553</u>	<u>553</u>
Department of State:			
Records Management	1,108	1,538	1,538
Department of Transportation:			
Administration and Support Services	623	---	---
Department of the Treasury:			
Adjudication of Administrative Appeals	896	898	898
Automotive Services	15,011	14,627	17,637
Capitol Post Office	1,587	1,648	1,648
Escrow - Construction Management Services	---	3,044	3,000
Office of Information Technology	102,447	103,522	103,522
Printing Services	2,175	2,324	2,324
Property Management and Construction - Construction Management Services	7,464	3,694	3,738
Public Information Services	1,399	1,399	1,293
Purchasing and Inventory Management	55,671	56,400	56,400
Vehicle Escrow	5,989	4,000	---
	<u>192,639</u>	<u>191,556</u>	<u>190,460</u>
<i>Total Revolving</i>	<i>258,410</i>	<i>255,288</i>	<i>253,710</i>
Total Other Revenues General Fund	8,759,435	9,296,965	9,901,664

SPECIAL TRANSPORTATION FUND

General:			
County and Other Shared Projects	139	---	---
Federal Highway Administration	---	855,418	891,130
Transportation Trust Fund - Control	---	---	385,000
Transportation Trust Fund - Local Highway Funds	129,727	150,000	150,000
Transportation Trust Fund - Public Transportation Projects	309,764	572,500	573,000
Transportation Trust Fund - State Highway Funds	345,888	385,000	---
	<u>785,518</u>	<u>1,962,918</u>	<u>1,999,130</u>
Federal:			
Federal Highway Administration	567,384	---	---
<i>Total Special Transportation Fund</i>	<i>1,352,902</i>	<i>1,962,918</i>	<i>1,999,130</i>
TOTAL OTHER REVENUES	10,112,337	11,259,883	11,900,794

REVENUES & EXPENDITURES

SCHEDULE 3 EXPENDITURES BUDGETED (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2001 Actual	2002 Estimated	2003 Estimated
GENERAL FUND			
Legislative Branch			
Senate	11,970	11,167	11,167
General Assembly	16,159	17,511	17,511
Office of Legislative Services	30,572	30,415	26,797
Legislative Commissions	4,990	5,737	5,194
State Capitol Joint Management Commission	5,456	7,420	9,400
New Jersey Commission on Programs for Gifted Students	---	5	---
New Jersey Information Resources Management Commission	2	---	---
Clean Ocean and Shore Trust Committee	85	125	150
	<u>69,234</u>	<u>72,380</u>	<u>70,219</u>
Executive Branch			
Chief Executive	6,485	5,718	5,424
Department of Agriculture	35,273	24,988	21,627
Department of Banking and Insurance	66,151	68,164	68,123
Department of Community Affairs	211,781	155,708	92,354
Department of Corrections	922,538	899,640	867,064
Department of Education	156,349	2,087,514	2,176,893
Department of Environmental Protection	455,934	486,767	387,034
Department of Health and Senior Services	602,646	838,712	692,851
Department of Human Services	3,419,141	3,796,166	4,126,123
Department of Labor	99,928	89,184	91,572
Department of Law and Public Safety	514,996	495,687	468,968
Department of Military and Veterans' Affairs	88,064	80,385	71,635
Department of Personnel	33,967	29,541	27,195
Department of State	1,144,072	1,284,499	1,180,940
Department of Transportation	1,180,491	1,217,417	1,273,282
Department of the Treasury	1,222,612	1,275,090	1,195,464
Miscellaneous Commissions	1,312	1,392	1,392
	<u>10,161,740</u>	<u>12,836,572</u>	<u>12,747,941</u>
Inter-Departmental Accts			
Inter-Departmental Services	606,969	512,478	552,259
Employee Benefits	1,253,756	1,208,277	1,357,867
Other Inter-Departmental Accounts	35,928	82,576	62,313
Salary Increases and Other Benefits	6,362	7,000	120,188
	<u>1,903,015</u>	<u>1,810,331</u>	<u>2,092,627</u>
Judicial Branch			
The Judiciary	436,591	479,125	487,672
	<u>436,591</u>	<u>479,125</u>	<u>487,672</u>
Total General Fund	<u>12,570,580</u>	<u>15,198,408</u>	<u>15,398,459</u>
CASINO CONTROL FUND - DIRECT STATE SERVICES			
Department of Law and Public Safety	34,855	35,799	35,799
Department of the Treasury	23,835	26,938	26,938
Total Casino Control Fund - Direct State Services	<u>58,690</u>	<u>62,737</u>	<u>62,737</u>

REVENUES & EXPENDITURES

SCHEDULE 3 EXPENDITURES BUDGETED (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2001 Actual	2002 Estimated	2003 Estimated
CASINO REVENUE FUND			
Department of Health and Senior Services	330,024	312,019	309,165
Department of Human Services	23,355	23,369	23,369
Department of Labor	2,440	2,440	2,440
Department of Law and Public Safety	90	92	92
Department of Transportation	25,754	24,821	24,934
Department of the Treasury	17,180	---	---
<i>Total Casino Revenue Fund</i>	<u>398,843</u>	<u>362,741</u>	<u>360,000</u>
GUBERNATORIAL ELECTIONS FUND - DIRECT STATE SERVICES			
Department of Law and Public Safety	11,100	11,200	---
PROPERTY TAX RELIEF FUND			
Department of Community Affairs	869,464	962,122	961,522
Department of Education	6,607,975	5,342,720	5,511,588
Department of Environmental Protection	9,211	9,823	10,453
Department of the Treasury	753,496	1,369,838	1,358,408
<i>Total Property Tax Relief Fund</i>	<u>8,240,146</u>	<u>7,684,503</u>	<u>7,841,971</u>
GRAND TOTAL EXPENDITURES BUDGETED	<u>21,279,359</u>	<u>23,319,589</u>	<u>23,663,167</u>

REVENUES & EXPENDITURES

SCHEDULE 4 EXPENDITURES NOT BUDGETED (thousands of dollars)

	-----Fiscal Year Ending June 30-----		
	2001 Actual	2002 Estimated	2003 Estimated
GENERAL FUNDS			
Dedicated Funds			
Chief Executive	1,006	1,000	1,000
Department of Agriculture	8,797	8,982	10,203
Department of Banking and Insurance	7,154	10,570	10,570
Department of Community Affairs	13,090	25,423	25,490
Department of Corrections	28,377	22,464	24,277
Department of Education	13,125	14,615	15,081
Department of Environmental Protection	15,963	43,693	41,305
Department of Health and Senior Services	957,720	120,626	122,161
Department of Human Services	650,277	499,913	583,791
Department of Labor	129,663	147,440	146,165
Department of Law and Public Safety	149,704	198,843	216,314
Department of Military and Veterans' Affairs	30	1,543	1,543
Department of Personnel	---	3,753	4,378
Department of State	15,337	12,479	12,859
Department of Transportation	30,597	19,238	19,929
Department of the Treasury	797,523	823,846	824,765
The Judiciary	23,722	23,049	23,049
<i>Total Dedicated Funds</i>	<i>2,842,085</i>	<i>1,977,477</i>	<i>2,082,880</i>
Federal Funds			
Department of Agriculture	176,635	237,439	231,575
Department of Community Affairs	213,205	209,669	214,112
Department of Corrections	21,536	13,894	14,491
Department of Education	495,695	639,262	740,921
Department of Environmental Protection	37,680	196,118	201,212
Department of Health and Senior Services	1,528,403	1,530,501	1,867,822
Department of Human Services	2,859,127	3,562,053	3,601,521
Department of Labor	302,802	341,184	349,127
Department of Law and Public Safety	80,991	126,636	130,443
Department of Military and Veterans' Affairs	18,756	62,459	61,101
Department of Personnel	8	---	---
Department of State	17,194	22,560	23,819
Department of Transportation	35,444	59,260	65,765
Department of the Treasury	3,598	4,076	4,076
The Judiciary	57,871	59,089	59,089
<i>Total Federal Funds</i>	<i>5,848,945</i>	<i>7,064,200</i>	<i>7,565,074</i>
Revolving Funds			
Legislature	39	---	---
Department of Community Affairs	16,065	9,864	9,800
Department of Corrections	27,355	28,087	27,557
Department of Education	3,731	4,209	4,021
Department of Environmental Protection	804	120	120
Department of Health and Senior Services	12,342	10,070	10,370
Department of Human Services	7,897	9,291	9,291
Department of Labor	1,587	---	---
Department of Law and Public Safety	624	553	553
Department of State	1,210	1,538	1,538
Department of Transportation	630	---	---
Department of the Treasury	198,539	191,556	190,460
<i>Total Revolving Funds</i>	<i>270,823</i>	<i>255,288</i>	<i>253,710</i>
<i>Total Expenditures General Fund</i>	<i>8,961,853</i>	<i>9,296,965</i>	<i>9,901,664</i>
SPECIAL TRANSPORTATION TRUST FUND			
General	1,653,612	1,962,918	1,999,130
GRAND TOTAL EXPENDITURES NOT BUDGETED	10,615,465	11,259,883	11,900,794

SUMMARIES OF APPROPRIATIONS

SUMMARY OF FISCAL YEAR 2002-03 APPROPRIATION RECOMMENDATIONS

(thousands of dollars)

Year Ending June 30, 2001						Year Ending June 30, 2003		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2002 Adjusted Approp.	Requested	Recom- mended
					General Fund			
4,754,382	426,522	70,492	5,251,396	4,894,425	Direct State Services	4,850,272	5,080,997	5,079,135
5,808,436	269,830	-140,641	5,937,625	5,218,164	Grants-in-Aid	6,083,554	6,319,327	6,054,020
842,458	263,990	-32,804	1,073,644	761,946	State Aid	2,695,133	2,742,525	2,722,355
1,188,068	327,195	-8,341	1,506,922	1,170,999	Capital Construction	1,075,562	1,044,424	1,049,101
530,003	---	---	530,003	525,046	Debt Service	493,887	493,848	493,848
13,123,347	1,287,537	-111,294	14,299,590	12,570,580	Total General Fund	15,198,408	15,681,121	15,398,459
8,298,794	31,661	-517	8,329,938	8,240,146	Property Tax Relief Fund	7,684,503	7,841,971	7,841,971
59,443	594	---	60,037	58,690	Casino Control Fund	62,737	62,737	62,737
350,140	53,977	---	404,117	398,843	Casino Revenue Fund	362,741	360,000	360,000
11,100	---	---	11,100	11,100	Gubernatorial Elections Fund	11,200	---	---
21,842,824	1,373,769	-111,811	23,104,782	21,279,359	GRAND TOTAL STATE APPROPRIATIONS	23,319,589	23,945,829	23,663,167

SUMMARIES OF APPROPRIATIONS

SUMMARY OF APPROPRIATIONS BY ORGANIZATION

(thousands of dollars)

Year Ending June 30, 2001					Year Ending June 30, 2003			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2002 Adjusted Approp.	Requested	Recom- mended
GENERAL FUND								
Direct State Services								
Legislative Branch								
10,519	3,549	156	14,224	11,970	Senate	11,167	11,167	11,167
16,157	3,964	179	20,300	16,159	General Assembly	17,511	17,511	17,511
25,474	3,906	1,273	30,653	29,707	Legislative Support Services	30,415	26,797	26,797
52,150	11,419	1,608	65,177	57,836	Total Legislative Branch	59,093	55,475	55,475
Legislative Branch								
12,765	1,206	159	14,130	10,533	Legislative Commission	13,287	14,744	14,744
12,765	1,206	159	14,130	10,533	Total Legislative Branch	13,287	14,744	14,744
Executive Branch								
5,620	1,625	601	7,846	6,189	Chief Executive	5,718	5,424	5,424
10,395	2,062	399	12,856	12,273	Department of Agriculture	11,392	10,731	10,731
65,275	9,891	893	76,059	66,151	Department of Banking and Insurance	68,164	68,123	68,123
34,032	14,292	-1,446	46,878	44,690	Department of Community Affairs	39,466	37,271	37,271
765,517	11,644	26,141	803,302	788,269	Department of Corrections	790,358	774,729	774,729
55,311	3,231	2,071	60,613	54,823	Department of Education	57,620	55,683	55,683
202,315	34,004	8,426	244,745	231,988	Department of Environmental Protection	226,956	218,980	218,980
86,299	20,952	8,861	116,112	114,442	Department of Health and Senior Services	102,796	129,625	129,625
522,633	29,890	69,504	622,027	595,064	Department of Human Services	579,402	626,790	626,790
59,373	18,780	813	78,966	75,664	Department of Labor	58,560	60,293	60,293
389,613	116,007	22,747	528,367	451,219	Department of Law and Public Safety	436,943	432,046	432,046
64,932	3,206	3,603	71,741	70,623	Department of Military and Veterans' Affairs	72,037	68,812	68,812
28,138	5,070	1,552	34,760	33,737	Department of Personnel	29,541	27,195	27,195
22,528	471	5,410	28,409	24,758	Department of State	28,144	29,224	27,362
254,502	21,598	12,422	288,522	269,267	Department of Transportation	241,900	268,255	268,255
376,847	64,942	-168	441,621	399,634	Department of the Treasury	416,708	381,149	381,149
1,325	56	-21	1,360	1,312	Miscellaneous Commissions	1,392	1,392	1,392
2,944,655	357,721	161,808	3,464,184	3,240,103	Total Executive Branch	3,167,097	3,195,722	3,193,860
Inter-Departmental Accounts								
156,991	3,618	-343	160,266	149,171	Property Rentals	174,641	158,226	158,226
82,475	153	-1,345	81,283	73,183	Insurance and Other Services	57,710	54,125	54,125
23,879	928	2,213	27,020	27,015	Utilities and Other Services	24,916	26,416	26,416
821,463	16,376	50,492	888,331	857,703	Employee Benefits	785,117	906,316	906,316
61,353	3,029	-12,591	51,791	35,928	Other Inter-Departmental Accounts	82,376	62,113	62,113
174,689	23,707	-155,934	42,462	6,362	Salary Increases and Other Benefits	7,000	120,188	120,188
1,320,850	47,811	-117,508	1,251,153	1,149,362	Total Inter-Departmental Accounts	1,131,760	1,327,384	1,327,384
Judicial Branch								
423,962	8,365	24,425	456,752	436,591	The Judiciary	479,035	487,672	487,672
423,962	8,365	24,425	456,752	436,591	Total Judicial Branch	479,035	487,672	487,672
4,754,382	426,522	70,492	5,251,396	4,894,425	Total Direct State Services	4,850,272	5,080,997	5,079,135

SUMMARIES OF APPROPRIATIONS

Year Ending June 30, 2001					Year Ending June 30, 2003		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2002 Adjusted Approp.	Requested	Recom- mended
Grants-in-Aid							
Executive Branch							
---	8,000	-2,000	6,000	296	---	---	---
3,334	2,376	834	6,544	3,597	3,904	2,254	2,254
114,854	20,281	5,171	140,306	130,186	97,780	37,041	37,041
165,040	7,810	---	172,850	115,254	90,105	89,435	89,435
6,973	---	---	6,973	3,536	10,326	13,551	13,551
7,986	1,331	14,259	23,576	14,222	10,960	500	500
750,923	14,909	4,543	770,375	451,256	693,868	522,607	522,607
2,635,672	192,249	-121,990	2,705,931	2,520,024	2,946,580	3,210,908	3,210,908
21,291	140	4,127	25,558	24,014	30,624	31,279	31,279
37,283	3,500	151	40,934	26,105	29,765	19,822	19,822
1,234	118	5,974	7,326	7,171			
1,134,338	9,563	-29,358	1,114,543	1,086,128	1,394	1,044	1,044
209,097	1,218	56	210,371	209,184	1,230,202	1,357,892	1,134,003
209,306	8,196	-146	217,356	139,318	260,027	260,027	260,027
					180,077	164,103	157,685
5,297,331	269,691	-118,379	5,448,643	4,730,291	5,585,612	5,710,463	5,480,156
Inter-Departmental Accounts							
394,478	139	1,473	396,090	396,053	423,160	451,551	451,551
525	---	-525	---	---	200	200	200
23,360	---	-23,360	---	---	---	35,000	---
92,742	---	150	92,892	91,820	74,492	122,113	122,113
511,105	139	-22,262	488,982	487,873	497,852	608,864	573,864
Judicial Branch							
---	---	---	---	---	90	---	---
---	---	---	---	---	90	---	---
5,808,436	269,830	-140,641	5,937,625	5,218,164	6,083,554	6,319,327	6,054,020
State Aid							
Executive Branch							
9,092	498	---	9,590	8,714	9,642	8,642	8,642
18,229	47,932	-1,774	64,387	36,905	18,462	18,042	18,042
103,825	650	-997	103,478	96,020	2,016,638	2,107,259	2,107,259
11,583	36	103	11,722	10,976	22,557	4,556	4,556
32,451	2	---	32,453	32,441	39,969	39,969	39,969
314,535	68,356	-30,514	352,377	284,824	264,984	280,925	280,925
6,290	---	---	6,290	5,544	14,872	9,272	9,272
19,812	---	---	19,812	19,811	18,612	27,745	19,575
---	75	---	75	75	---	---	---
326,641	146,441	378	473,460	266,636	289,397	246,115	234,115
842,458	263,990	-32,804	1,073,644	761,946	2,695,133	2,742,525	2,722,355
Capital Construction							
Legislative Branch							
---	1,267	---	1,267	865	---	---	---
---	1,267	---	1,267	865	---	---	---

SUMMARIES OF APPROPRIATIONS

Year Ending June 30, 2001					Year Ending June 30, 2003			
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2002 Adjusted Approp.	Requested	Recom- mended
					Executive Branch			
600	20,718	---	21,318	10,689	Department of Agriculture	50	---	---
32,701	39,992	-3,291	69,402	19,015	Department of Corrections	19,177	2,900	2,900
4,536	2,295	250	7,081	1,970	Department of Education	2,930	400	400
103,151	69,932	-11,106	161,977	77,278	Department of Environmental Protection	120,215	85,098	86,165
3,465	1,699	410	5,574	4,507	Department of Health and Senior Services	2,079	650	650
25,255	29,344	1,946	56,545	19,229	Department of Human Services	5,200	7,500	7,500
---	---	488	488	250	Department of Labor	---	---	---
42,224	24,102	3,962	70,288	32,128	Department of Law and Public Safety	14,107	7,828	7,828
14,370	9,606	30	24,006	10,270	Department of Military and Veterans' Affairs	6,954	1,779	1,779
---	---	230	230	230	Department of Personnel	---	---	---
19,108	10,346	-386	29,068	13,375	Department of State	7,541	---	---
703,900	355	641	704,896	701,965	Department of Transportation	715,490	745,000	745,000
11,015	16,184	-340	26,859	13,448	Department of the Treasury	1,100	---	5,500
---	2	---	2	---	Miscellaneous Commissions	---	---	---
960,325	224,575	-7,166	1,177,734	904,354	Total Executive Branch	894,843	851,155	857,722
					Inter-Departmental Accounts			
227,743	101,353	-1,175	327,921	265,780	Capital Projects - Statewide	180,719	193,269	191,379
227,743	101,353	-1,175	327,921	265,780	Total Inter-Departmental Accounts	180,719	193,269	191,379
1,188,068	327,195	-8,341	1,506,922	1,170,999	Total Capital Construction	1,075,562	1,044,424	1,049,101
					Debt Service			
					Executive Branch			
121,481	---	---	121,481	121,470	Department of Environmental Protection	106,079	76,833	76,833
408,522	---	---	408,522	403,576	Department of the Treasury	387,808	417,015	417,015
530,003	---	---	530,003	525,046	Total Debt Service	493,887	493,848	493,848
13,123,347	1,287,537	-111,294	14,299,590	12,570,580	Total General Fund	15,198,408	15,681,121	15,398,459
					PROPERTY TAX RELIEF FUND			
					Property Tax Relief Fund - Grants-in-Aid			
					Executive Branch			
682,388	---	---	682,388	636,824	Department of the Treasury	1,238,627	1,211,471	1,211,471
682,388	---	---	682,388	636,824	Total Property Tax Relief Fund - Grants-in-Aid	1,238,627	1,211,471	1,211,471
					Property Tax Relief Fund - State Aid			
					Executive Branch			
876,595	1,950	-450	878,095	869,464	Department of Community Affairs	962,122	961,522	961,522
6,606,930	28,139	-67	6,635,002	6,607,975	Department of Education	5,342,720	5,511,588	5,511,588
9,273	---	---	9,273	9,211	Department of Environmental Protection	9,823	10,453	10,453
123,608	1,572	---	125,180	116,672	Department of the Treasury	131,211	146,937	146,937
7,616,406	31,661	-517	7,647,550	7,603,322	Total Property Tax Relief Fund - State Aid	6,445,876	6,630,500	6,630,500
8,298,794	31,661	-517	8,329,938	8,240,146	Total Property Tax Relief Fund	7,684,503	7,841,971	7,841,971

SUMMARIES OF APPROPRIATIONS

Year Ending June 30, 2001					Year Ending June 30, 2003		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2002 Adjusted Approp.	Requested	Recom- mended
					CASINO CONTROL FUND		
					Casino Control Fund - Direct State Services		
					Executive Branch		
35,201	209	---	35,410	34,855	35,799	35,799	35,799
24,242	385	---	24,627	23,835	26,938	26,938	26,938
59,443	594	---	60,037	58,690	62,737	62,737	62,737
					CASINO REVENUE FUND		
					Casino Revenue Fund - Direct State Services		
					Executive Branch		
871	2	26	899	894	871	871	871
92	---	---	92	90	92	92	92
963	2	26	991	984	963	963	963
					Casino Revenue Fund - Grants-in-Aid		
					Executive Branch		
282,434	51,975	-26	334,383	329,130	311,148	308,294	308,294
23,369	---	---	23,369	23,355	23,369	23,369	23,369
2,440	---	---	2,440	2,440	2,440	2,440	2,440
308,243	51,975	-26	360,192	354,925	336,957	334,103	334,103
					Casino Revenue Fund - State Aid		
					Executive Branch		
23,754	2,000	---	25,754	25,754	24,821	24,934	24,934
17,180	---	---	17,180	17,180	---	---	---
40,934	2,000	---	42,934	42,934	24,821	24,934	24,934
350,140	53,977	---	404,117	398,843	362,741	360,000	360,000
					GUBERNATORIAL ELECTIONS FUND		
					Gubernatorial Elections Fund - Direct State Services		
					Executive Branch		
11,100	---	---	11,100	11,100	11,200	---	---
11,100	---	---	11,100	11,100	11,200	---	---
21,842,824	1,373,769	-111,811	23,104,782	21,279,359	23,319,589	23,945,829	23,663,167
					GRAND TOTAL STATE APPROPRIATIONS		

SUMMARIES OF APPROPRIATIONS

SUMMARY OF APPROPRIATIONS BY ORGANIZATION

(thousands of dollars)

Year Ending June 30, 2001						Year Ending June 30, 2003		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2002 Adjusted Approp.	Requested	Recom- mended
DIRECT STATE SERVICES								
Legislative Branch								
10,519	3,549	156	14,224	11,970	Senate	11,167	11,167	11,167
16,157	3,964	179	20,300	16,159	General Assembly	17,511	17,511	17,511
25,474	3,906	1,273	30,653	29,707	Legislative Support Services	30,415	26,797	26,797
12,765	1,206	159	14,130	10,533	Legislative Commission	13,287	14,744	14,744
64,915	12,625	1,767	79,307	68,369	Total Legislative Branch	72,380	70,219	70,219
Executive Branch								
5,620	1,625	601	7,846	6,189	Chief Executive	5,718	5,424	5,424
10,395	2,062	399	12,856	12,273	Department of Agriculture	11,392	10,731	10,731
65,275	9,891	893	76,059	66,151	Department of Banking and Insurance	68,164	68,123	68,123
34,032	14,292	-1,446	46,878	44,690	Department of Community Affairs	39,466	37,271	37,271
765,517	11,644	26,141	803,302	788,269	Department of Corrections	790,358	774,729	774,729
55,311	3,231	2,071	60,613	54,823	Department of Education	57,620	55,683	55,683
202,315	34,004	8,426	244,745	231,988	Department of Environmental Protection	226,956	218,980	218,980
87,170	20,954	8,887	117,011	115,336	Department of Health and Senior Services	103,667	130,496	130,496
86,299	20,952	8,861	116,112	114,442	(From General Fund)	102,796	129,625	129,625
871	2	26	899	894	(From Casino Revenue Fund)	871	871	871
522,633	29,890	69,504	622,027	595,064	Department of Human Services	579,402	626,790	626,790
59,373	18,780	813	78,966	75,664	Department of Labor	58,560	60,293	60,293
436,006	116,216	22,747	574,969	497,264	Department of Law and Public Safety	484,034	467,937	467,937
389,613	116,007	22,747	528,367	451,219	(From General Fund)	436,943	432,046	432,046
35,201	209	---	35,410	34,855	(From Casino Control Fund)	35,799	35,799	35,799
92	---	---	92	90	(From Casino Revenue Fund)	92	92	92
11,100	---	---	11,100	11,100	(From Gubernatorial Election Fund)	11,200	---	---
64,932	3,206	3,603	71,741	70,623	Department of Military and Veterans' Affairs	72,037	68,812	68,812
28,138	5,070	1,552	34,760	33,737	Department of Personnel	29,541	27,195	27,195
22,528	471	5,410	28,409	24,758	Department of State	28,144	29,224	27,362
254,502	21,598	12,422	288,522	269,267	Department of Transportation	241,900	268,255	268,255
401,089	65,327	-168	466,248	423,469	Department of the Treasury	443,646	408,087	408,087
376,847	64,942	-168	441,621	399,634	(From General Fund)	416,708	381,149	381,149
24,242	385	---	24,627	23,835	(From Casino Control Fund)	26,938	26,938	26,938
1,325	56	-21	1,360	1,312	Miscellaneous Commissions	1,392	1,392	1,392
3,016,161	358,317	161,834	3,536,312	3,310,877	Total Executive Branch	3,241,997	3,259,422	3,257,560
2,944,655	357,721	161,808	3,464,184	3,240,103	(From General Fund)	3,167,097	3,195,722	3,193,860
59,443	594	---	60,037	58,690	(From Casino Control Fund)	62,737	62,737	62,737
963	2	26	991	984	(From Casino Revenue Fund)	963	963	963
11,100	---	---	11,100	11,100	(From Gubernatorial Election Fund)	11,200	---	---
Inter-Departmental Accounts								
156,991	3,618	-343	160,266	149,171	Property Rentals	174,641	158,226	158,226
82,475	153	-1,345	81,283	73,183	Insurance and Other Services	57,710	54,125	54,125
821,463	16,376	50,492	888,331	857,703	Employee Benefits	785,117	906,316	906,316

SUMMARIES OF APPROPRIATIONS

Year Ending June 30, 2001						Year Ending June 30, 2003		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2002 Adjusted Approp.	Requested	Recom- mended
<u>DIRECT STATE SERVICES</u>								
61,353	3,029	-12,591	51,791	35,928	Other Inter- Departmental Accounts	82,376	62,113	62,113
174,689	23,707	-155,934	42,462	6,362	Salary Increases and Other Benefits	7,000	120,188	120,188
23,879	928	2,213	27,020	27,015	Utilities and Other Services	24,916	26,416	26,416
1,320,850	47,811	- 117,508	1,251,153	1,149,362	Total Inter- Departmental Accounts	1,131,760	1,327,384	1,327,384
<u>Judicial Branch</u>								
423,962	8,365	24,425	456,752	436,591	The Judiciary	479,035	487,672	487,672
423,962	8,365	24,425	456,752	436,591	Total Judicial Branch	479,035	487,672	487,672
4,825,888	427,118	70,518	5,323,524	4,965,199	Total Direct State Services	4,925,172	5,144,697	5,142,835
4,754,382	426,522	70,492	5,251,396	4,894,425	(From General Fund)	4,850,272	5,080,997	5,079,135
59,443	594	---	60,037	58,690	(From Casino Control Fund)	62,737	62,737	62,737
963	2	26	991	984	(From Casino Revenue Fund)	963	963	963
11,100	---	---	11,100	11,100	(From Gubenatorial Election Fund)	11,200	---	---

GRANTS-IN-AID

Summary of Appropriations by Department (thousands of dollars)

Year Ending June 30, 2001						Year Ending June 30, 2003		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2002 Adjusted Approp.	Requested	Recom- mended
---	8,000	-2,000	6,000	296	Chief Executive	---	---	---
3,334	2,376	834	6,544	3,597	Department of Agriculture	3,904	2,254	2,254
114,854	20,281	5,171	140,306	130,186	Department of Community Affairs	97,780	37,041	37,041
165,040	7,810	---	172,850	115,254	Department of Corrections	90,105	89,435	89,435
6,973	---	---	6,973	3,536	Department of Education	10,326	13,551	13,551
7,986	1,331	14,259	23,576	14,222	Department of Environmental Protection	10,960	500	500
750,923	14,909	4,543	770,375	451,256	Department of Health and Senior Services	693,868	522,607	522,607
2,635,672	192,249	-121,990	2,705,931	2,520,024	Department of Human Services	2,946,580	3,210,908	3,210,908
21,291	140	4,127	25,558	24,014	Department of Labor	30,624	31,279	31,279
37,283	3,500	151	40,934	26,105	Department of Law and Public Safety	29,765	19,822	19,822
1,234	118	5,974	7,326	7,171	Department of Military and Veterans' Affairs	1,394	1,044	1,044
1,134,338	9,563	-29,358	1,114,543	1,086,128	Department of State	1,230,202	1,357,892	1,134,003
209,097	1,218	56	210,371	209,184	Department of Transportation	260,027	260,027	260,027
209,306	8,196	-146	217,356	139,318	Department of the Treasury	180,077	164,103	157,685
511,105	139	-22,262	488,982	487,873	Interdepartmental Accounts	497,852	608,864	573,864
---	---	---	---	---	The Judiciary	90	---	---
5,808,436	269,830	-140,641	5,937,625	5,218,164	Total Appropriation	6,083,554	6,319,327	6,054,020

STATE AID

Summary of Appropriations by Department (thousands of dollars)

Year Ending June 30, 2001						Year Ending June 30, 2003		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2002 Adjusted Approp.	Requested	Recom- mended
9,092	498	---	9,590	8,714	Department of Agriculture	9,642	8,642	8,642
18,229	47,932	-1,774	64,387	36,905	Department of Community Affairs	18,462	18,042	18,042
103,825	650	-997	103,478	96,020	Department of Education	2,016,638	2,107,259	2,107,259
11,583	36	103	11,722	10,976	Department of Environmental Protection	22,557	4,556	4,556
32,451	2	---	32,453	32,441	Department of Health and Senior Services	39,969	39,969	39,969
314,535	68,356	-30,514	352,377	284,824	Department of Human Services	264,984	280,925	280,925
6,290	---	---	6,290	5,544	Department of Law and Public Safety	14,872	9,272	9,272
19,812	---	---	19,812	19,811	Department of State	18,612	27,745	19,575
---	75	---	75	75	Department of Transportation	---	---	---
326,641	146,441	378	473,460	266,636	Department of the Treasury	289,397	246,115	234,115
842,458	263,990	- 32,804	1,073,644	761,946	Total Appropriation	2,695,133	2,742,525	2,722,355

CAPITAL CONSTRUCTION
Summary of Appropriations by Department
(thousands of dollars)

Year Ending June 30, 2001						Year Ending June 30, 2003		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2002 Adjusted Approp.	Requested	Recom- mended
---	1,267	---	1,267	865	Legislature	---	---	---
600	20,718	---	21,318	10,689	Department of Agriculture	50	---	---
32,701	39,992	-3,291	69,402	19,015	Department of Corrections	19,177	2,900	2,900
4,536	2,295	250	7,081	1,970	Department of Education	2,930	400	400
103,151	69,932	-11,106	161,977	77,278	Department of Environmental Protection	120,215	85,098	86,165
3,465	1,699	410	5,574	4,507	Department of Health and Senior Services	2,079	650	650
25,255	29,344	1,946	56,545	19,229	Department of Human Services	5,200	7,500	7,500
---	---	488	488	250	Department of Labor	---	---	---
42,224	24,102	3,962	70,288	32,128	Department of Law and Public Safety	14,107	7,828	7,828
14,370	9,606	30	24,006	10,270	Department of Military and Veterans' Affairs	6,954	1,779	1,779
---	---	230	230	230	Department of Personnel	---	---	---
19,108	10,346	-386	29,068	13,375	Department of State	7,541	---	---
703,900	355	641	704,896	701,965	Department of Transportation	715,490	745,000	745,000
11,015	16,184	-340	26,859	13,448	Department of the Treasury	1,100	---	5,500
---	2	---	2	---	Miscellaneous Commissions	---	---	---
227,743	101,353	-1,175	327,921	265,780	Interdepartmental Accounts	180,719	193,269	191,379
1,188,068	327,195	-8,341	1,506,922	1,170,999	Total Appropriation	1,075,562	1,044,424	1,049,101

DEBT SERVICE SUMMARY
(thousands of dollars)

Year Ending June 30, 2001						Year Ending June 30, 2003		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2002 Adjusted Approp.	Requested	Recom- mended
210,353	---	---	210,353	205,396	Interest on Bonds	186,941	192,358	192,358
319,650	---	---	319,650	319,650	Bond Redemption	306,946	301,490	301,490
530,003	---	---	530,003	525,046	Total Appropriation	493,887	493,848	493,848
5,818	---	---	5,818	5,818	State Transportation Bonds (P.L. 1968, c. 126)	2,359	1,090	1,090
2,411	---	---	2,411	2,410	Public Buildings Construction Bonds (P.L. 1968, c. 128)	---	---	---
3,469	---	---	3,469	3,468	Water Conservation Bonds (P.L. 1969, c. 127)	3,133	1,121	1,121
442	---	---	442	442	Higher Education Construction Bonds (P.L. 1971, c. 164)	421	---	---
221	---	---	221	221	State Recreation and Conservation Land Acquisition Bonds (P.L. 1971 c. 165)	211	---	---
5,665	---	---	5,665	5,665	State Recreation and Conservation Land Acquisition and Development Bonds (P.L. 1974, c. 102)	4,622	2,927	2,927
5,670	---	---	5,670	5,669	Clean Waters Bonds (P.L. 1976, c. 92)	3,853	2,556	2,556
3,243	---	---	3,243	3,242	Institutions Construction Bonds (P.L. 1976, c. 93)	2,565	2,194	2,194
1,075	---	---	1,075	1,075	State Mortgage Assistance Bonds (P.L. 1976, c. 94)	1,022	688	688
665	---	---	665	664	Beaches and Harbors Bonds (P.L. 1977, c. 208)	631	597	597
7,846	---	---	7,846	7,846	Medical Education Facilities Bonds (P.L. 1977, c. 235)	7,497	7,149	7,149

Year Ending June 30, 2001						Year Ending June 30, 2003		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2002 Adjusted Approp.	Requested	Recom- mended
926	---	---	926	925	Emergency Flood Control Bonds (P.L. 1978, c. 78)	526	500	500
2,071	---	---	2,071	2,071	Institutional Construction Bonds (P.L. 1978, c. 79)	1,452	1,379	1,379
2,698	---	---	2,698	2,698	State Land Acquisition and Development Bonds (P.L. 1978, c. 118)	1,484	1,339	1,339
7,174	---	---	7,174	7,174	Transportation Rehabilitation and Improvement Bonds (P.L. 1979, c. 165)	5,301	5,010	5,010
1,030	---	---	1,030	1,029	Energy Conservation Bonds (P.L. 1980, c. 68)	473	384	384
1,441	---	---	1,441	1,441	Natural Resources Bonds (P.L. 1980, c. 70)	345	321	321
1,593	---	---	1,593	1,592	Public Purpose Buildings Construction Bonds (P.L. 1980, c. 119)	327	309	309
3,273	---	---	3,273	3,273	Water Supply Bonds (P.L. 1981, c. 261)	3,109	1,931	1,931
3,372	---	---	3,372	3,371	Hazardous Discharge Bonds (P.L. 1981, c. 275)	1,079	761	761
699	---	---	699	698	Farmland Preservation Bonds (P.L. 1981, c. 276)	129	---	---
3,229	---	---	3,229	3,229	Community Development Bonds (P.L. 1981, c. 486)	2,876	2,382	2,382
1,189	---	---	1,189	1,189	1983 New Jersey Green Acres Bonds (P.L. 1983, c. 354)	1,139	1,045	1,045
691	---	---	691	691	Shore Protection Bonds (P.L. 1983, c. 356)	659	477	477
1,147	---	---	1,147	1,147	Jobs, Science and Technology Bonds (P.L. 1984, c. 99)	679	154	154
2,013	---	---	2,013	2,013	Human Services Facilities Construction Bonds (P.L. 1984, c. 157)	1,164	856	856
296,033	---	---	296,033	296,032	Refunding Bonds (P.L. 1985, c. 74 as amended by P.L. 1992, c. 182)	301,069	330,520	330,520
667	---	---	667	667	Pinelands Infrastructure Trust Bonds (P.L. 1985, c. 302)	631	206	206
4,867	---	---	4,867	4,867	Wastewater Treatment Bonds (P.L. 1985, c. 329)	757	154	154
5,510	---	---	5,510	5,510	Resource Recovery and Solid Waste Disposal Facility Fund (P.L. 1985, c. 330)	5,398	4,581	4,581
10,151	---	---	10,151	10,150	Hazardous Discharge Bonds (P.L. 1986, c. 113)	10,205	8,525	8,525
7,007	---	---	7,007	7,007	Correctional Facilities Construction Bonds (P.L. 1987, c. 178)	4,345	1,184	1,184
5,271	---	---	5,271	5,270	1987 Green Acres, Cultural Centers and Historic Preservation Bonds (P.L. 1987, c. 265)	3,554	1,800	1,800
20,705	---	---	20,705	20,705	Jobs, Education and Competitiveness Bonds (P.L. 1988, c. 78)	17,428	11,601	11,601
8,105	---	---	8,105	8,104	1989 Bridge Rehabilitation and Improvement and Railroad Right-of-way Preservation Bonds (P.L. 1989, c. 180)	7,500	5,016	5,016

Year Ending June 30, 2001						Year Ending June 30, 2003		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended		2002 Adjusted Approp.	Requested	Recom- mended
1,448	---	---	1,448	1,447	Stormwater Management and Combined Sewer Overflow Abatement Bonds (P.L. 1989, c. 181)	1,148	515	515
17,779	---	---	17,779	17,778	1989 New Jersey Open Space Preservation Bonds (P.L. 1989, c. 183)	16,985	12,120	12,120
6,914	---	---	6,914	6,913	Public Purpose Buildings and Community-Based Facilities Construction Bonds (P.L. 1989, c. 184)	6,054	5,329	5,329
21,600	---	---	21,600	21,600	Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992 (P.L. 1992, c. 88)	21,608	16,885	16,885
9,288	---	---	9,288	9,288	Developmental Disabilities Waiting List Reduction and HS Fac. Const. Bonds (P.L. 1994, c. 108)	9,302	6,893	6,893
19,837	---	---	19,837	19,836	Green Acres, Farmland and Historic Preservation, and Blue Acres Bond Act of 1995 (P.L. 1995, c. 204)	19,886	14,588	14,588
5,071	---	---	5,071	5,070	Port of New Jersey Revitalization, Dredging Bonds (P.L. 1996 c. 70)	5,116	3,884	3,884
4,938	---	---	4,938	---	Payments on Future Bond Sales	---	30,515	30,515
15,741	---	---	15,741	15,741	Statewide Transportation and Local Bridge Bond Act of 1999 (P.L. 1999, c.181)	15,845	9,362	9,362
---	---	---	---	---	Savings from Refunding and Other Initiatives	---	-5,000	-5,000
530,003	---	---	530,003	525,046	Total Appropriation	493,887	493,848	493,848

SUMMARIES OF APPROPRIATIONS

SUMMARY OF APPROPRIATIONS BY DEPARTMENT

DEDICATED FUNDS (thousands of dollars)

Year Ending June 30, 2001					Year Ending June 30, 2003		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2002 Adjusted Approp.	Requested	Recom- mended
Property Tax Relief Fund - Grants-in-Aid							
Department of the Treasury							
345,699	---	---	345,699	339,863	511,199	532,329	532,329
336,689	---	---	336,689	296,961	727,428	679,142	679,142
<i>682,388</i>	---	---	<i>682,388</i>	<i>636,824</i>	<i>1,238,627</i>	<i>1,211,471</i>	<i>1,211,471</i>
682,388	---	---	682,388	636,824	1,238,627	1,211,471	1,211,471
Property Tax Relief Fund - State Aid							
Department of Community Affairs							
876,595	1,950	-450	878,095	869,464	962,122	961,522	961,522
<i>876,595</i>	<i>1,950</i>	<i>-450</i>	<i>878,095</i>	<i>869,464</i>	<i>962,122</i>	<i>961,522</i>	<i>961,522</i>
Department of Education							
4,148,011	28,110	-129	4,175,992	4,172,351	2,893,581	3,851,333	3,851,333
110,022	---	-865	109,157	102,893	108,363	112,823	112,823
59,250	---	---	59,250	59,250	65,578	65,578	65,578
192,906	---	---	192,906	192,906	199,512	199,512	199,512
770,350	---	67	770,417	770,417	911,420	911,420	911,420
39,966	---	---	39,966	39,966	44,408	38,948	38,948
15,000	29	---	15,029	10,728	13,545	23,855	23,855
302,338	---	239	302,577	301,804	303,787	303,587	303,587
161,022	---	621	161,643	161,391			
796,065	---	---	796,065	785,216	5,484	4,532	4,532
12,000	---	---	12,000	11,053	797,042	---	---
<i>6,606,930</i>	<i>28,139</i>	<i>-67</i>	<i>6,635,002</i>	<i>6,607,975</i>	<i>5,342,720</i>	<i>5,511,588</i>	<i>5,511,588</i>
Department of Environmental Protection							
6,820	---	---	6,820	6,758	7,370	8,000	8,000
2,453	---	---	2,453	2,453	2,453	2,453	2,453
<i>9,273</i>	---	---	<i>9,273</i>	<i>9,211</i>	<i>9,823</i>	<i>10,453</i>	<i>10,453</i>
Department of the Treasury							
27,205	---	---	27,205	20,134	27,205	22,582	22,582
34,637	---	---	34,637	34,637	776	---	---
49,498	25	-1,913	47,610	46,173			
12,268	1,547	1,913	15,728	15,728	81,378	95,719	95,719
					21,852	28,636	28,636
<i>123,608</i>	<i>1,572</i>	---	<i>125,180</i>	<i>116,672</i>	<i>131,211</i>	<i>146,937</i>	<i>146,937</i>
7,616,406	31,661	-517	7,647,550	7,603,322			
8,298,794	31,661	-517	8,329,938	8,240,146	7,684,503	7,841,971	7,841,971
Total Property Tax Relief Fund - State Aid					6,445,876	6,630,500	6,630,500
Total Property Tax Relief Fund					7,684,503	7,841,971	7,841,971

SUMMARIES OF APPROPRIATIONS

Year Ending June 30, 2001					Year Ending June 30, 2003		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2002 Adjusted Approp.	Requested	Recom- mended
Casino Control Fund - Direct State Services							
35,201	209	---	35,410	34,855			
					Department of Law and Public Safety		
					Gaming Enforcement		
					35,799	35,799	35,799
<i>35,201</i>	<i>209</i>	<i>---</i>	<i>35,410</i>	<i>34,855</i>	<i>35,799</i>	<i>35,799</i>	<i>35,799</i>
					<i>Total Department of Law and Public Safety</i>		
24,242	385	---	24,627	23,835			
					Department of the Treasury		
					Administration of Casino Gambling		
					26,938	26,938	26,938
<i>24,242</i>	<i>385</i>	<i>---</i>	<i>24,627</i>	<i>23,835</i>	<i>26,938</i>	<i>26,938</i>	<i>26,938</i>
					<i>Total Department of the Treasury</i>		
59,443	594	---	60,037	58,690	62,737	62,737	62,737
					Total Casino Control Fund		
Casino Revenue Fund - Direct State Services							
871	2	26	899	894			
					Department of Health and Senior Services		
					Programs for the Aged		
					871	871	871
<i>871</i>	<i>2</i>	<i>26</i>	<i>899</i>	<i>894</i>			
					<i>Total Department of Health and Senior Services</i>		
					871	871	871
92	---	---	92	90			
					Department of Law and Public Safety		
					Operation of State Professional Boards		
					92	92	92
<i>92</i>	<i>---</i>	<i>---</i>	<i>92</i>	<i>90</i>	<i>92</i>	<i>92</i>	<i>92</i>
					<i>Total Department of Law and Public Safety</i>		
963	2	26	991	984	963	963	963
					Total Casino Revenue Fund - Direct State Services		
Casino Revenue Fund - Grants-in-Aid							
500	---	---	500	498			
					Department of Health and Senior Services		
					Family Health Services		
3,946	---	---	3,946	2,297	500	500	500
					Medical Services for the Aged		
229,918	51,863	---	281,781	281,531	3,857	3,857	3,857
					Pharmaceutical Assistance to the Aged and Disabled		
					257,928	255,074	255,074
34,669	---	---	34,669	32,784	34,669	34,669	34,669
					Lifeline		
13,401	112	-26	13,487	12,020	14,194	14,194	14,194
					Programs for the Aged		
<i>282,434</i>	<i>51,975</i>	<i>-26</i>	<i>334,383</i>	<i>329,130</i>	<i>311,148</i>	<i>308,294</i>	<i>308,294</i>
					<i>Total Department of Health and Senior Services</i>		
					Department of Human Services		
10,053	---	---	10,053	10,050			
					Purchased Residential Care		
2,208	---	---	2,208	2,205	10,053	10,053	10,053
					Social Supervision and Consultation		
7,374	---	---	7,374	7,366	2,208	2,208	2,208
					Adult Activities		
3,734	---	---	3,734	3,734	7,374	7,374	7,374
					Services to Children and Families		
<i>23,369</i>	<i>---</i>	<i>---</i>	<i>23,369</i>	<i>23,355</i>	<i>23,369</i>	<i>23,369</i>	<i>23,369</i>
					<i>Total Department of Human Services</i>		
2,440	---	---	2,440	2,440			
					Department of Labor		
					Vocational Rehabilitation Services		
					2,440	2,440	2,440
<i>2,440</i>	<i>---</i>	<i>---</i>	<i>2,440</i>	<i>2,440</i>	<i>2,440</i>	<i>2,440</i>	<i>2,440</i>
					<i>Total Department of Labor</i>		
308,243	51,975	-26	360,192	354,925	336,957	334,103	334,103
					Total Casino Revenue Fund - Grants-in-Aid		
Casino Revenue Fund - State Aid							
23,754	2,000	---	25,754	25,754			
					Department of Transportation		
					Railroad and Bus Operations		
					24,821	24,934	24,934
<i>23,754</i>	<i>2,000</i>	<i>---</i>	<i>25,754</i>	<i>25,754</i>	<i>24,821</i>	<i>24,934</i>	<i>24,934</i>
					<i>Total Department of Transportation</i>		

SUMMARIES OF APPROPRIATIONS

Year Ending June 30, 2001					Year Ending June 30, 2003		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	2002 Adjusted Approp.	Requested	Recom- mended
17,180	---	---	17,180	17,180	Department of the Treasury		
					Reimbursement of Senior/Disabled Citizens' and Veterans' Tax Exemptions		
					---	---	---
17,180	---	---	17,180	17,180	Total Department of the Treasury		
					---	---	---
40,934	2,000	---	42,934	42,934	Total Casino Revenue Fund - State Aid		
					24,821	24,934	24,934
350,140	53,977	---	404,117	398,843	Total Casino Revenue Fund		
					362,741	360,000	360,000
Gubernatorial Elections Fund - Direct State Services							
Department of Law and Public Safety							
11,100	---	---	11,100	11,100	Election Law Enforcement		
					11,200	---	---
11,100	---	---	11,100	11,100	Total Department of Law and Public Safety		
					11,200	---	---
11,100	---	---	11,100	11,100	Total Gubernatorial Elections Fund		
					11,200	---	---
8,719,477	86,232	- 517	8,805,192	8,708,779	Total Appropriation		
					8,121,181	8,264,708	8,264,708